

BUILDING STRONGER CALIFORNIA COMMUNITIES

CAPER 2007-08 Consolidated Annual Performance and Evaluation Report

Reporting on federally-funded community development programs operated by the State of California:

Community Development Block Grants (CDBG)
Home Investment Partnerships Program (HOME)
Emergency Shelter Grants (ESG)
Housing Opportunities for Persons with AIDS (HOPWA)
Lead Hazard Control Program (LHCP)

Submitted to the
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(HUD)

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Introduction and Summary of Accomplishments

This Consolidated Annual Performance and Evaluation Report (CAPER) reports on the State of California's Consolidated Plan Annual Plan for the use of certain federal funds in 2007-08. (Throughout this document, "2007-08" means the state fiscal year, from July 1, 2007, through June 30, 2008. "FFY 2007" means the federal fiscal year, from October 1, 2007 through September 30, 2008.) This report covers the use of federal block grant funds awarded by five programs, administered by three state agencies, in non-entitlement cities and counties for housing and community development activities.

This CAPER was available for public review and comment from August 29 through September 12, 2008. Public hearings were held in Sacramento, Redding and Riverside on September 2, 2008 (see the public notice in Appendix E for times and addresses). The hearings provided opportunities for interested parties to make oral comments or pose questions regarding the program operations covered in this CAPER.

Resources Made Available

The State Consolidated Plan and this CAPER cover the use of federal funds from the U.S. Department of Housing and Urban Development (HUD), administered by California state agencies during 2007-08 through the programs listed in Table 1 on page 2. The Community Development Block Grant program (CDBG), the HOME Investment Partnerships program (HOME), and Emergency Shelter Grant program (ESG) are administered by the Department of Housing and Community Development (HCD or the department). The Housing Opportunities for Persons with AIDS program (HOPWA) is administered by the Department of Public Health (DPH). The Lead Hazard Control Program (LPHCP) is administered by the Department of Community Services and Development (CSD).

For the fourth successive year, HOME committed to grantees portions of its next fiscal year federal funding (for this CAPER, 2008-09). This action is intended to allow earlier planning and preparation in order to accelerate use of the funds. HOME's 2007-08 funds were committed in prior years, and reported on in prior CAPERs.

For the third year, the CDBG program continued to fund a number of contracts that received multi-year awards, where future funds were committed and the activities are being funded from this year's 2007-08 allocation. CDBG also made additional awards under the Economic Development Block Grant (EDBG) Enterprise program, Over-the-Counter program, and Planning and Technical Assistance (PTA) grants with the remaining 2007-08 allocation plus funds that were disencumbered or returned to the program. CDBG did not make new multi-year awards in 2007-08, and is currently assessing the results of the multi-year fast forwarding funding concept.

HOPWA continues to allocate funds annually on a non-competitive formula basis which includes unspent or recaptured funds from earlier years.

LPHCP continued its administration of HUD's Round XI grant that covered the period October 1, 2004 through March 31, 2008. LPHCP has received a Round XIII HUD grant in 2006-07 that covers three years, and will make awards from it in future years.

Table 1 shows the pre-commitment in 2007-08 of some 2008-09 HOME funds, and the re-awarding of recaptured earlier-year funds in 2007-08:

Table 1
Federal Funds Allocations and Awards by Program, 2007-08

Program	FFY 2007 funds allocated by HUD	2007-08 and earlier funds awarded in 2007-08	2008-09 funds awarded in 2007-08	Total Awards in 2007-08
CDBG	\$ 41,503,552	\$ 50,692,627	\$ 0	\$ 50,692,627
HOME	\$ 59,266,283	\$24,491,905	\$51,952,820	\$ 76,444,725
American Dream ¹	\$ 925,578	\$ 0	\$ 0	\$ 0
ESG	\$ 6,698,794	\$ 6,558,044	\$0	\$ 6,558,044
HOPWA	\$ 2,926,000	\$ 3,157,470	\$ 0	\$ 3,157,470
LBPHC ²	\$ 6,000,000	\$2,503,970	\$ 0	\$ 2,503,970
Totals	\$ 116,394,629	\$87,404,016	\$51,952,820	\$ 139,356,836

Federal and state Low-Income Housing Tax Credits (LIHTC)³ are often used with projects funded by these programs. In calendar 2007, the Tax Credit Allocation Committee (TCAC) in the State Treasurer's Office awarded nearly \$75.9 million in competitive nine-percent (9%) federal credits to 70 proposed housing projects, along with over \$71 million in State credits to 19 competitive 9% projects, and \$23.4 million in state credits to 9 projects receiving four-percent (4%) tax credits with tax-exempt bond funds. A federal tax credit is in effect for ten years, which means the eventual total value of federal credits awarded in California in 2007 is \$759 million. The \$94.4 million total for state tax credits covers a four-year period of effect.

In addition, during 2007-08 the State Department of Housing and Community Development (HCD) awarded \$XXX million of the \$2.1 billion in housing bond funds approved by voters in Proposition 46 of 2002 (see Appendix C for listing of these programs), and \$702 million of the \$2.85 billion in bond funds approved by Proposition 1C in November 2006 (described in **Other Actions**). In total, Proposition 46 and Proposition 1C funds awarded through June 30, 2008 are expected to create, rehabilitate, incentivize or reward 91,178 affordable housing units and shelter spaces.

¹ American Dream allocation and awards are included in HOME figures.

² The Lead Hazard Control Program received an additional 36-month \$3 million HUD grant in November 2006 under Round XIII, to cover the period November 1 2006 to October 31 2009. Currently LHCP is also administering Round XI funding for a total of \$6 million.

³ The LIHTC program is not a HUD-administered program and is not reported on in detail in this CAPER.

Program Goals

The State of California Consolidated Plan for 2005-2010 identifies four over-arching goals for the state's use of these federal community development funds:

Goal 1: Meet the housing needs of low-income renter households, including providing homeownership opportunities for first-time homebuyers.

Goal 2: Meet the housing needs of low-income homeowner households.

Goal 3: Meet the housing, supportive housing and accessibility needs of the homeless and other special needs groups, including the prevention of homelessness.

Goal 4: Mitigate impediments to fair housing.

In the following program-specific sections, each program reports its accomplishments related to these overall goals. Other community development accomplishments by State of California agencies and programs are also discussed in the program-specific sections, and in the Other Actions Taken section.

Geographic Distribution of Awards

Appendix B1 of this report tabulates the awards of federal community development funds in 2007-08 by jurisdiction, county and region, for each of the five programs covered.

Appendix B2 provides the same information for the accelerated commitment of future HOME funds expected to be allocated by HUD for FFY 2008. These accelerated awards are made to give recipients better assurance of continued funding for multi-year projects, and to facilitate earlier expenditure of the funds.

Outcome Performance Measurement

In accordance with the Final Rule (FR-4970-N-02) published by HUD on March 7, 2006 on the Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs, the State has collected information on activities and indicators as outlined in the 2005-2010 Consolidated Plan and the 2007-08 Annual Plan Update. Details on performance measurement outcomes of each program are included in the individual program sections beginning on page 7.

Response to Public Comments

No comments were received during the public comment period. **(to be updated after the PCP)**

Households Assisted

Table 2 summarizes the numbers reported by grantees of households and homeless individuals and families assisted with housing and supportive services by the CDBG, HOME, ESG and HOPWA programs during 2007-08, by household type, tenure and income categories.

Table 2 Summary of Households Assisted, 2007-08						
Priority Need Category		CDBG*	HOME	ESG	HOPWA	Total
Renter	0-30% of MHI	XX	XX	0	XX	XX
	31-50% of MHI	XX	XX	0	XX	XX
	51-80% of MHI	XX	XX	0	XX	XX
	Unoccupied	XX	XX	0	XX	XX
	Subtotal	XX	XX	0	XX	XX
Owner	0-30% of MHI	XX	XX	0	XX	XX
	XX	XX	XX	0	XX	XX
	XX	XX	XX	0	XX	XX
	XX	XX	XX	0	XX	XX
Homeless	Individuals	XX	XX	61,448	XX	XX
	Families	XX	XX	9,075	XX	XX
	Subtotal	XX	XX	70,523	XX	XX
Non-Homeless Special Needs**	Households	XX	XX	0	XX	XX
Section 215*			XX **			
Totals		XX	XX	70,523	XX	XX

* These figures represent CDBG housing activities and do not include public works activities.

**Section 215 homes meet the definition of 24 CFR 252 and 254. All HOME assisted housing must comply with one of these sections.

***These figures represent subgroups of the other categories and are not separately reflected in the Totals.

Table 3
Ethnic Distribution of Households Assisted, 2007-08

	CDBG*		HOME		ESG***		HOPWA***	
	Non-Hispanic	Hispanic	Non-Hispanic	Hispanic	Non-Hispanic	Hispanic	Non-Hispanic	Hispanic
White	XX	XX	XX	XX	47,413	4,750	XX	XX
Black or African American	XX	XX	XX	XX	6,294	183	XX	XX
Asian	XX	XX	XX	XX	410	6	XX	XX
American Indian or Alaska Native	XX	XX	XX	XX	4,047	2,934	XX	XX
Native Hawaiian or other Pacific Islander	XX	XX	XX	XX	286	13	XX	XX
American Indian/Alaska Native & White	XX	XX	XX	XX	294	61	XX	XX
Asian & White	XX	XX	XX	XX	43	1	XX	XX
Black or African American & White	XX	XX	XX	XX	201	10	XX	XX
American Indian/Alaska Native & African American	XX	XX	XX	XX	44	8	XX	XX
Other/Multi-Racial	XX	XX	XX	XX**	2,416	1,468	XX	XX
TOTAL	XX	XX	XX	XX	61,448	9,434	XX	XX

* Includes individuals and households which were beneficiaries of all CDBG-eligible services, programs and projects.

** Total includes XXX unoccupied units.

*** Annual number served (residential and non-residential services)

**Community Development
Block Grant (CDBG) Program**

2007- 08 CAPER

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Method of Investment of Available Resources

CDBG funds are distributed by the department primarily through a competitive process, to local governments in California which do not receive formula CDBG grants directly from HUD (i.e., non-entitlement cities and counties).

CDBG funding criteria are contained in State regulations. CDBG General Allocation competitive funding criteria include:

- Level of poverty
- Benefit to low-income households/persons (the Targeted Income Group (TIG))
- Need for the activity
- Prior performance
- Capacity/readiness
- Leverage
- State objectives

CDBG Economic Development Enterprise Fund Allocation funding criteria include:

- Need (poverty, unemployment, and adverse economic events)
- Local program capacity (performance, design, experience and support)
- Program effectiveness (leverage and planning)

The CDBG Planning and Technical Assistance Allocation and the Economic Development Over-the-Counter (OTC) Component are both administered on a first-come, first-served basis.

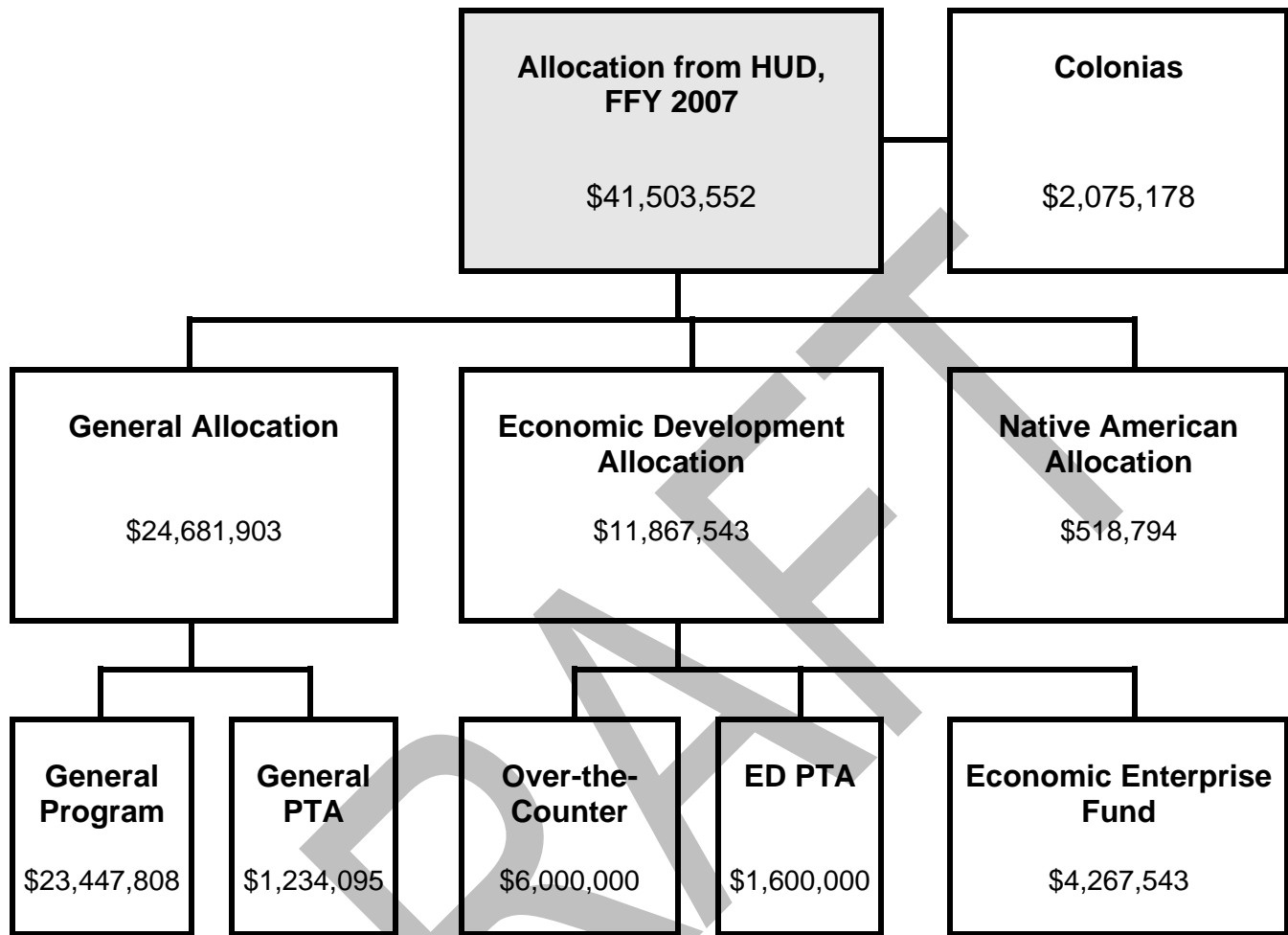
Use of Funds

Federal law (Section 104(b) of the Housing and Community Development Act of 1974, as amended) requires states to certify that CDBG dollars will be spent to give maximum feasible priority to benefit lower-income persons, prevent or eliminate slums and blight, and meet other community development needs having a particular urgency. Section 104(b)(3) requires this to be achieved by ensuring that each funded activity meets one of three related national objectives: Benefiting Low- and Moderate-Income Persons, Preventing or Eliminating Slums and Blight, and Meeting Urgent Needs. The statute also requires each grant recipient to ensure that at least 70 percent of its expenditures over a particular time period are used for activities qualifying under the first of those national objectives (Benefiting Low- and Moderate-Income Persons).

State law and regulations establish additional program objectives. By Health and Safety Code Section 50827, all non-economic development funds serving an area-wide benefit must benefit at least 51 percent low- and moderate-income persons, and programs providing individual assistance must benefit 100 percent low- and moderate-income.

Actual award amounts may vary from the set-asides due to the re-use of disencumbered or initially unsubscribed funds in a category. The initial set-asides of the State's allocation from HUD are shown below (exclusive of State administration and technical assistance).

Table 4
CDBG Program Allocations, 2007-08



Summary of Accomplishments

▪ Awards Summary

CDBG awarded a total of \$50,692,626 in 2007-08, including disencumbered and returned funds as well as the \$41,503,552 federal allocation for 2007-08. Following is the distribution of awards made to the various State CDBG programs:

General	\$26,078,633
Colonias	\$ 2,291,534
Freeze Disaster	\$ 2,100,000
Native American	\$ 2,000,000
Economic Development Enterprise Fund	\$ 7,020,785
Economic Development Over-the-Counter	\$ 8,070,906
Planning & Technical Assistance	<u>\$ 3,130,768</u>
TOTAL	\$50,692,626

Of the \$50,692,626 awarded, \$28,370,167 represents pre-commitments made in prior years and funded from the 2007-08 allocation. The remaining \$22,322,459 was funded from the 2007-08 allocation plus additional funds from disencumbrances and monies returned to the department. A total of 175 contracts were funded. This generated 375 individual activities that were established in HUD's Integrated Disbursement and Information System (IDIS). HCD records in IDIS the funding of projects and programs, and the administrative support and activity delivery costs for each award.

Awards by Allocation

▪ General Component

Under the General Component, 65 contracts with 222 activities were funded using \$26,078,633 of the 2007-08 allocation. These funds were primarily used for one-year reservations for ongoing multi-year contracts established in prior years. HCD also provided 60 local jurisdictions with \$1,769,283 for administrative support. Table 5 summarizes General Allocation activities in the category of Public Facilities & Improvements, Table 6 in Public Services, and Table 7 in Housing. In Tables 5 through 12 the numbers following activity names are HUD matrix numbers used in IDIS records.

**Table 5
CDBG General Allocation
Public Facilities and Public Improvements
Activities and Awards**

Activity & Matrix Code	Funded Activities	Amount Funded
Non-Specific Public Facilities or Improvements that is ADA Compliant (03)	3	\$551,731
Neighborhood Facilities (03E)	2	\$257,021
Parks and Recreation Facilities (03F)	3	\$278,500
Sewer Plant Upgrade (03H)	1	\$366,000
Flood Drainage Improvement (03I)	1	\$462,500
Water & Sewer Improvements (03J)	16	\$4,602,136
Street Improvement Activities (03K)	7	\$1,899,811
Sidewalk Improvements (03L)	7	\$274,775
Child Care Centers (03M)	1	\$198,460
Fire Equipment/Fire Stations (03O)	4	\$151,046
Abused and Neglected Children Facility (03Q)	1	\$5,000

Operating Costs of Homeless/Aids Facility (03T)	1	\$107,533
Total	47	\$9,154,513

Many of the awards shown above are for the third year of an original three year funding commitment. The largest share of Public Facilities & Public Improvement funding was for Water & Sewer Improvements (03J), followed by Street Improvements (03K) and the Non-Specific category. Remaining awards were less than \$500,000 for each activity.

Table 6
CDBG General Allocation
Public Services Activities and Awards

Activity & Matrix Code	Funded Activities	Amount Funded
Public Services (05)	2	\$62,769
Youth Services (05D)	1	\$157,412
Battered and Abused Spouses (05G)	1	\$179,663
Employee Training Services (05H)	3	\$1,262,514
Crime Awareness Services (05I)	1	\$46,250
Health Services (05M)	2	\$212,000
Total	10	\$1,920,608

Public Service activities represented 7.36 percent of the General Allocation. This is well below the 15 percent maximum for the category. The majority of Public Services funding (65 percent) went to Employee Training (05H), due in part to two jurisdictions that responded to the State Freeze Disaster (see more below) by redirecting some of their existing grants toward Employee Training.

Table 7
CDBG General Allocation
Housing Activities and Awards

Activity & Matrix Code	Funded Activities	Amount Funded
Housing Construction (12)	3	\$601,131
Direct Homeownership Assistance Programs (13)	15	\$2,583,406
Residential Rehabilitation – Single-Unit (14A)	38	\$7,976,401
Rehabilitation Administration (14H)	37	\$1,770,603
Multi-Family Rehabilitation Project (14B)	2	\$107,163
Code Enforcement (15)	6	\$89,400
Total	101	\$13,128,104

Housing was the largest General Allocation activity category. The three Housing Construction (12) activities were funded in Lincoln, West Sacramento and the Town of Mammoth Lakes. This activity can include acquiring land, thus getting around a major barrier to providing affordable housing. The 38 single-unit Residential Rehabilitation (14A) programs, with Rehabilitation Administrative costs included, totaled \$9,747,004.

CDBG also funded three Commercial Industrial (14E) rehabilitation projects for \$106,125, to provide façade improvements. To complete the roster of General CDBG awards, an additional \$1,769,283 was made available for Program Administration (21a). CDBG can fund local administrative expenses up to 7.5 percent of the grant.

- Colonias

A department Colonias specialist works with grantees to move their projects forward in a timely fashion. There were four Colonias awards in 2007-08 to fund 12 activities. The awards represented the second year of multi-year funding:

Table 8
CDBG Colonias Allocation
Activities and Awards

Activity & Matrix Code	Funded Activities	Amount Funded
Water & Sewer Improvements (03J)	2	\$675,181
Street Improvement Activities (03K)	3	\$1,314,155
Fire Equipment/Fire Stations (03O)	2	\$171,365
Administrative (21A)	5	\$130,833
Total	12	\$2,291,534

The two Water and Sewer Improvement (03J) projects are located in Brawley and in Imperial County. The three Street Improvement (03K) activities are located in Imperial, Calexico and El Centro. Imperial County used \$171,365 of its award for needed Fire Equipment (03O).

- Freeze Disaster

On March 27, 2007 HCD filed emergency regulations to permit the State CDBG program to release a Notice of Funding Availability (NOFA) to address agricultural losses in 18 counties caused by the Freeze Disaster of January 2007. Eleven jurisdictions applied and were awarded funding in two fiscal years. Four jurisdictions were awarded \$1,009,472 in 2006-07 funds and seven were awarded \$2,100,000 from 2007-08, for a total of approximately \$3,109,472.

The \$2,100,000 in 2007-08 Freeze Disaster funds came from HUD's 2007-08 allocation and from disencumbered and returned funds. Activities included the following:

Table 9
CDBG Freeze Disaster Activities and Awards

Activity	Funded Activities	Percentage Funded
Public Services (05)	5	\$1,365,300
Employment Training (05H)	1	\$284,710
Subsistence Payments (05Q)	1	\$283,500
Youth Services (05D)	1	\$22,200
Administrative (21A)	7	\$144,290
Total	15	\$2,100,000

Disaster-related Public Services were funded in the counties of Imperial, Monterey and Tulare, and the cities of Holtville and Calexico. The Dinuba allocated \$284,710 of their freeze allocation towards Employment Training, and Delano will use \$283,500 for subsistence payments.

- Native American

The CDBG Native American Allocation staff worked with eligible jurisdictions to identify non-federally-recognized Indian communities and terminated Rancherias. The eligible jurisdictions applied on behalf of their Indian communities.

The Native American component awarded two grants for a total of \$2,000,000, \$1,000,000 each for the City of Shasta Lake and the Wintu Tribe of Northern California, and for Honey Lake Maidu Nation in Lassen County. The Wintu Tribe will help build a neighborhood facility, and the Honey Lake Maidu Nation will operate a residential rehabilitation program. Up to \$75,000 each may be used by the associated local jurisdictions to offset administrative expenses.

Table 10
CDBG Native American Allocation
Activities and Awards

Activity	Funded Activities	Percentage Funded
Neighborhood Facilities (03E)	1	\$925,000
Residential Rehabilitation – Single-Unit (14A)	1	\$925,000
Administrative	2	\$150,000
Total	4	\$2,000,000

Economic Development

The Economic Development (ED) allocation includes the Enterprise Fund and the Over-the-Counter (OTC) program. The Enterprise Fund Allocation typically releases a NOFA and application in the fall of each year with a specific deadline for receiving proposals. The OTC NOFA and application are released at the beginning of each funding cycle and applications are reviewed and approved on a first come, first served basis.

- Enterprise Fund

Enterprise Fund awards are based on published criteria measuring unemployment, public benefit, leverage, and capacity. Because the public benefit and leverage of

micro-enterprise activities are substantially different from those of business assistance activities, like activities are rated against like.

Enterprise Fund awarded \$7,020,785 in grants for Business Assistance and Micro-Enterprise programs in 2007-08, for the following types of activities:

Business Assistance Programs

- Assist start-up, expansion or preservation of businesses in the jurisdiction
- Fund public infrastructure/off-site improvements necessary to accommodate the start-up, expansion or preservation of a business.

Micro-Enterprise Assistance Programs

- Provide technical assistance, training and support to small businesses with five or fewer employees
- Fund eligible micro-enterprises, or persons developing micro-enterprises.

Funding for the two programs came from HUD's 2007-08 allocation plus disencumbered and returned funds.

Table 11
CDBG Economic Development Enterprise Fund
Activities and Awards

Activity	Funded Activities	Percentage Funded
Business Assistance (18A)	13	\$4,030,920
Micro-Enterprise Assistance (18C)	11	\$2,467,855
Administration (21A)	18	\$522,010
Total	42	\$7,020,785

▪ Over-the-Counter (OTC)

The OTC allocation is larger than the Enterprise Fund, and OTC awards can be as high as \$2.5 million per applicant per year, or \$5 million for two-year grants. Because of these large amounts, HCD has a special loan committee to review and approve applications. Jurisdictions can use OTC funding to make loans for start-up, expansion or preservation of businesses. The grants can also be used to construct necessary off-site infrastructure improvements to accommodate a new business.

In 2007-08, the OTC program received six applications for a total of \$10,170,906. One application was withdrawn, and the five remaining were awarded a total of \$8,070,906. The funding came from HUD's 2007-08 allocation plus disencumbered and returned funds:

Table 12
CDBG Economic Development
Over-the-Counter Activities and Awards

Activity	Funded Activities	Percentage Funded
Health Facilities – Jobs (03P)	1	\$564,000
Infrastructure (17B)	2	\$1,964,823
Business Assistance (18A)	3	\$5,123,000
Administration (21A)	4	\$419,083
Total	10	\$8,070,906

▪ Planning and Technical Assistance (PTA)

The PTA allocation received 46 General and 41 Economic Development (ED) applications. Of these, 31 General applicants were awarded \$1,254,247, and 40 ED applicants were awarded \$1,876,521 for a total of \$3,130,768. This represents 7.5 percent of the 2007-08 HUD CDBG allocation. Requested amounts exceeded the available PTA funds by \$1,593,764.

These PTA grants are expected to produce 95 studies, reports and funding applications over the following 12 to 24 months. General PTA awards included proposals to complete six public improvement assessments and plans, seven housing feasibility studies and needs assessments, 12 housing condition and income surveys, and one joint application to prepare a ten year homelessness plan. Homeless studies are required for other HUD funded programs that are used by State CDBG grantees. ED PTA awards included two proposals for State Enterprise Zone applications, one study of a brownfield site for potential commercial development, and 14 business revitalization studies and marketing plans.

Program Income

For the 2007-08 reporting period, 133 Annual Program Income reports are expected. As of August 20, 2008, XX reports were received, which represents XX percent of reports due. According to the reports submitted, \$ XX in program income was collected. In accordance with approved Program Income Reuse Plans, these jurisdictions deposited the program income into revolving loan accounts. The following summarizes how program income was expended during 2007-2008 by all jurisdictions:

- General

Under the General Allocation, \$XXXXX was expended through Housing Rehabilitation

Revolving Loan Accounts, which resulted in XX households being assisted. \$XXXX was expended through First Time Homebuyers Revolving Loan Accounts which assisted XX households. \$XXXX was expended through other eligible activities such as public works and services, resulting in XX beneficiaries.

- ED

\$XXXXX was expended through ED Revolving Loan Accounts along with other funding that helped to achieve the following:

- XX new full-time jobs created
- XX full-time jobs retained
- XX new part-time jobs created
- XX part-time jobs retained
- XX new businesses assisted
- XX existing businesses assisted

The reporting jurisdictions committed \$XXXX to new 2007 and 2008 CDBG grants. During 2007-2008 jurisdictions expended a total of \$XXXX of previously committed program income to active grants.

Leveraged Resources

Proposals to use CDBG funds with other leveraged funds can improve scoring in the competitive application process. Local contributions typically consist of in-kind staff services such as grant administration, redevelopment agency funds, gas tax funds, public works funds, permit and other fee waivers. Private contributions can include mortgage loans, grants from private agencies, in-kind staff time, sweat equity from rehabilitation projects, and discounts on services from title, pest and appraisal companies. Local governments are encouraged to provide local resources and obtain as much private support as possible to make their applications more competitive, and also to report State or federal funds used in the proposed activities. Table 13 shows local public and private leverage towards activities funded for 2007-08.

Table 13
Leveraged Funds towards 2007-08 Funded Activities

Program Allocation	Leveraged and Match Funds
General/Native American/Colonias Allocations	\$XXXX
Economic Development Enterprise Fund	\$XXXX
General Planning and Technical Assistance (PTA Match)	\$XXXX
ED PTA (required cash match)	\$XXXX
Total	\$XXXX

Table 14 shows expenditures from other fund sources in conjunction with CDBG grants, reported in grantees' semi-annual Financial and Accomplishment Reports (FARs).

Table 14
Actual Expenditure of Leverage 2007-08

CDBG Allocation Name	Other Federal*	State	Local	Private
General Allocation	\$XXXX	\$XXX	\$XXXX	\$XXXX
Native American Allocation	\$XXXX	\$XXX	\$XXXX	\$XXXX
Colonias Allocation	\$XXXX	\$XXX	\$XXXX	\$XXXX
General PTA	\$XXXX	\$XXX	\$XXXX	\$XXXX
ED Enterprise Fund	\$XXXX	\$XXX	\$XXXX	\$XXXX
ED OTC	\$XXXX	\$XXX	\$XXXX	\$XXXX
ED PTA	\$XXXX	\$XXX	\$XXXX	\$XXXX
Total – All Allocations	\$XXXX	\$XXX	\$XXXX	\$XXXX

Compliance and Monitoring

Over the past three years the CDBG General, Native American, and Colonias programs adopted a risk assessment tool as part of grant monitoring, based on a modified IFC Kaiser-developed model. The goal is to identify grantees potentially at high risk of, or actually encountering, difficulties in local project or program implementation. The risk assessment tool allows staff to focus limited resources on grantees that need the most assistance. Time saved will be used to provide more guidance at the beginning of the grant so that activities can start earlier and CDBG funds can be expended more quickly.

The CDBG ED unit continues to monitor each grant through file reviews and project site visits. At on-site visits, open grant activities and activities funded with local program income are monitored for compliance with State and federal overlay requirements for environmental review, labor standards, procurement and equal opportunity. Verification is required for all activities completed during the term of the contract, and to show that the Target Income Group (TIG) national benefit objective is being met.

Each PTA grant receives desk monitoring prior to grant closeout. Grantees document citizen participation, equal opportunity and procurement, in addition to the final written report or study submitted by the end of the grant term.

Grantee expenditure rates shown in FARs, for open grant activities and for local program income activities, are examined once a year as part of the department's compliance process, termed Hold-Out. A jurisdiction may be restricted from applying for other current or future funding if placed on Hold-out. If a grantee has a low rate of expenditure, has excess program income on hand, or is not reporting as required, a letter is issued informing the grantee that no further applications will be accepted until the discrepancies are addressed.

Program Outreach

CDBG outreach is provided in a variety of ways. Program staff regularly participates on panels and make presentations at statewide housing conferences such as Housing California. CDBG also sponsors a biannual California Development and Redevelopment Conference. This year's CDBG conference will be held September 3-5, 2008 in Napa County. The department continues to hold application workshops, and convenes advisory committees to gather public input. The program also uses the department's website and an e-mail distribution list of interested parties to broadcast information about CDBG NOFAs, Management Memorandums and other program updates.

CDBG Advisory Committee

The CDBG Advisory Committee is comprised of officials from local jurisdictions and consultants who use the State's CDBG program. Meetings are held three to four times a year to help HCD develop ideas about program design and implementation. This year three meetings were held in Sacramento:

CDBG Advisory Committee	Sacramento	8-16-07, 12-7-07, 6-20-08
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General NOFA Application Workshops

CDBG staff conducted NOFA Workshops from January 20 to February 20, 2008. Over 90 applications were received from local jurisdictions to participate in the 2008-09 awards. Awards were announced in July 2008.

General NOFA Application Workshops	Redding	1-20-08
	Tulare	2-1-08
	Coachella	2-5-08
	West Sacramento	2-13-08

ED Business Assistance

To help build small-business development capacity, the CDBG Economic Development consultant and staff conducted three workshops, each workshop in three locations:

Business Assistance workshop	Sacramento	10-25-07
	Anderson	10-30-07
	Calimesa	11-13-07

Economic Development NOFA Application Workshops

Workshops were held for application preparation for the Enterprise Fund and OTC allocations. The workshops covered "Developing a Successful OTC Project" and "Revolving Loan Fund Development and Operation".

Enterprise & OTC	Sacramento	10-25 & 26-07
Application Workshops	Anderson	10-30 & 31-07
	Calimesa	11-13 & 14-07

California Finance Coordinating Committee (CFCC) Funding Fair

CDBG is a member of the CFCC, made up of State and federal agencies that provide funding for public works and public facility projects throughout the state. To market these programs the Committee conducted Funding Fairs at four locations. CDBG staff gave training and direct technical assistance to agencies seeking CDBG funds.

CFCC Funding Fairs	Riverside	2-26-08
	Anderson	3-12-08
	Visalia	4-23-08
	West Sacramento	5-6-08

ED Finance workshop

The ED unit sponsored a week-long training workshop on ED Finance, including Business Credit Analysis and Real Estate Finance.

ED Finance Workshop	Sacramento	1-28-08 thru 2-1-08
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California Association for Local Economic Development (CALED)

ED staff participated at the annual CALED conference in Anaheim, where they received special recognition and an award for *“providing above and beyond service to California Communities.”* Program information was displayed and distributed to attendees. Staff also participated in a session on Economic Development Resources.

CALED Conference	Anaheim	4-30-08 thru 5-2-08
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Rural Summit for Community Development Child Care

CDBG participated in a Rural Summit for Community Development Child Care with the Low Income Investment Fund, Mercy Housing, and the U.S. Dept. of Agriculture. Attendees learned about economic development and capital resource opportunities for child care facilities and business development.

Community Development Child Care	Fresno	6-3-08
	Marysville	6-9-08

Small Business Loan Programs Workshop

CDBG joined public and private lenders in a Small Business Loan Programs Workshop:

Small Business Loan Programs Workshop	Fort Bragg	6-19-08
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Assessment of Response to Specific Objectives

Goal 1: Meet the housing needs of low-income renter households, including providing homeownership opportunities for first-time homebuyers.

CDBG Objective: CDBG will encourage grantees to apply for homebuyer assistance programs. The program will also strive to increase the number of low income rental housing projects using CDBG funds.

CDBG Accomplishments: CDBG continues to encourage grantees to use CDBG funds for infrastructure improvements and rehabilitation of rental housing projects, and for first time homebuyer programs. Under the General component, there were 15 direct homeownership assistance programs funded with \$2,583,406, and two multi-family projects funded with \$107,163. The program requests local jurisdictions to evaluate their use of program income for housing, and use existing monies in their housing revolving loan accounts (Riles). Many jurisdictions have established RLAs to assist first-time homebuyers. HCD reviews the size of local deposits and requests jurisdictions to commit and draw down program income from these accounts before drawing down new funds. CDBG encourages jurisdictions to apply for homebuyer activities when NOFAs are announced that include first-time buyer programs and rental housing projects.

Goal 2: Meet the housing needs of low-income homeowner households.

CDBG Objective: Make CDBG funds available to more low-income homeowners for required health and safety repairs.

CDBG Accomplishment: CDBG funds low and very low income households through homeowner rehabilitation programs. Programs must be offered on an area-wide basis. Under the CDBG General component there were 38 single-unit rehabilitation programs funded with \$7,976,401, and \$1,770,603 provided for administrative support (housing rehabilitation typically requires intensive administrative support and technical assistance). In addition, \$925,000 was awarded for homeowner rehabilitation activities under the Native American Allocation, including \$150,000 for administration. A total of \$10,822,004 was provided for homeowner single-unit rehabilitation.

Goal 3: Meet the housing and supportive housing and accessibility needs of the homeless and other special needs groups, including the prevention of homelessness.

CDBG Objective: Make CDBG funds available for the acquisition, construction or rehabilitation of facilities that meet the housing needs of the homeless and other special needs groups. Encourage proposals to address the needs of farmworkers and those with worst-case housing needs.

CDBG Accomplishment: CDBG made six awards for public facilities that serve the community and special needs groups. One facility is designated as non-specific and provides handicapped accessibility in Rio Vista. One neighborhood facility will provide a community dining room for the homeless in Ukiah. CDBG also funded one Abused and Neglected Children Facility in Tuolumne County.

CDBG also funds the operational costs of assisting special needs groups. This year CDBG funded a homeless AIDS facility in San Benito County and a Battered and Abused Spouses facility.

Goal 4: Mitigate Impediments to Fair Housing.

See **Furthering Fair Housing** section below.

Program Self-Evaluation

The Department is satisfied with the outcome of the 2007-08 funding cycle. The State certifies that implementation of the Consolidated Plan has been accomplished.

Multi-Year Funding Awards

The CDBG program did not make any multi-year awards this year, and is currently assessing the results of the multi-year fast-forwarding funding concept, which provides grantees a reservation of funding over a number of years. One challenge posed by the program is to track multiple funding sources over multiple years with each contract having three to four activities. Each contract can control funding for a number of years, depending on the allocation. There were 65 contracts with over 222 activities funded this year, not including new awards made or activities in some stage of completion. The Department is still assessing the administrative demands and rewards of the concept.

CDBG Expenditure Rate

The Department continues to implement steps to increase expenditure rate including:

- Applying a readiness rating and ranking factor for all General Allocation activities
- Disencumbering funds from General Allocation and ED grantees for non-expenditure
- Disencumbering funds from General Allocation and ED grantees for non-compliance with special conditions in their Standard Agreements requiring activity completion within 90 days, and
- Barring poor grant administrators from applying for additional funding until their performance problems are resolved, and using hold-outs to restrict non-compliant grantees from further applications until performance problems are resolved.

These actions are improving our expenditure rates. The program has increased the number of fiscal staff from one to six, which has allowed the program to improve its tracking processes. The HUD LOCCS report shows that the HCD CDBG program has improved from a rank of 48 a few years ago to second in ^{the} nation. Over the last 12 months, according to LOCCS, HCD's ratio of expenditure to annual allocations averaged 1.427.

Performance Measurements

CDBG continues to implement HUD's performance measurement system and has achieved the following:

- HCD has revised the Grantee Performance Report (GPR) form to include all performance measure indicators as required by the new IDIS screens. A management memo was sent to local jurisdictions instructing them to use the updated form for this 2007-08 report period. A management memo with instructions and the form was e-mailed to all jurisdictions and can be found on the Department's website at <http://www.hcd.ca.gov/fa/cdbg/mmemo>.
- The department has reviewed its existing reporting documents and applications, in light of the performance measure information requested, and continues to collect and enter the necessary information in both IDIS and the State's CAPES data management system.
- The Department closed more than 110 contracts during 2007-08, to significantly reduce the number of open IDIS activities.

Furthering Fair Housing

CDBG requires all jurisdictions to carry out housing and community development activities in a manner that furthers fair housing. Each grantee is required to have a designated staff-person who can help citizens file fair housing complaints.

CDBG encourages all jurisdictions to insert fair housing language in public notices, post fair housing posters in jurisdiction offices, place fair housing symbols on marketing materials and declare April to be Fair Housing Month. The Fair Housing activity (Matrix Code 05J) allows local jurisdictions to pay for counseling services that prevent housing discrimination. The department has included this activity in its revised GPR and will be able to track local jurisdictions conducting this activity in 2007-08 and after. HCD's CDBG program has a designated specialist who disseminates information on fair housing issues and acts as lead in fair housing activities. Program staff recently attended the 15th Annual Fair Housing Laws and Litigation Conference in San Diego on February 14 & 15, 2008. Staff also recently developed a survey to help inform fellow staff-members and other interested parties about fair housing issues.

Compliance with Applicable Civil Rights Laws

CDBG collects data on the characteristics of beneficiaries from each grantee through annual and final GPRs, and assesses a grantee's civil rights performance as follows:

1. Requires grantees to provide demographic comparisons between the local areas being served by CDBG activities and the actual applicants for and beneficiaries of the assistance. No findings of discrimination have been made.
2. Requires larger grantees that use CDBG funds to pay program staff to provide demographic comparisons between the jurisdiction as a whole and its employees. Reviews local equal opportunity employment policies and any pending discrimination complaints.
3. Details fair housing requirements in the CDBG application forms, Training Manual and Grant Management Manual. The grantee must survey households applying for

services, use posters and brochures to advertise, and establish and publicize the process of filing a fair housing complaint.

4. Reviews local procurement procedures for steps taken to solicit women and minority contractors, and reviews all contracts to ensure that relevant equal opportunity requirements are included.

The table below summarizes grantee use of women- and minority-owned businesses:

Table 15
Minority- and Women-Owned Contractors Employed

Firm Owned Wholly Or Substantially By:	Value Of Contract(s)
Minority Group Members	\$XXXX
Women	\$XXXX
Other	\$XXXX

**Home Investment
Partnerships Program
2007-08 CAPER**

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Method of Investment of Available Resources

HOME funds are distributed by HCD through a competitive process to cities and counties in California that are not HUD Participating Jurisdictions (PJs), members of a HOME Consortium, nor part of an Urban County agreement with a PJ. HOME funds are also available to nonprofits certified as Community Housing Development Organizations (CHDOs) that operate in HOME-eligible jurisdictions.

HOME announces its funding offerings through Notices of Funding Availability (NOFAs). Funds are distributed to projects, which are HOME-eligible activities with an identified site and borrower at the time of application, and programs, which are HOME activities without identified sites or borrowers at the time of application. Eligible activities include:

- Rental new construction
- Rental rehabilitation and/or acquisition
- Tenant-based rental assistance (TBRA)
- First-time homebuyer (FTHB) down payment assistance
- First-time homebuyer new construction (subdivisions and infill)
- First-time homebuyer acquisition/rehabilitation/conversion projects
- Owner occupied rehabilitation assistance

American Dream Down Payment Initiative (American Dream) funds are also made available in HOME NOFAs to eligible cities and counties, and to Participating Jurisdictions and Consortia members who did not receive a direct allocation of American Dream funds from HUD. American Dream eligible activities include first-time homebuyer down payment assistance.

The criteria governing awards in 2007-08 are contained in the HOME State Regulations:

- Capacity
 - Prior performance
 - Prior experience
- Community need of homeowners and renters

(Factors in bold were used in 2007-08 because reliable data for these factors was available for all HOME-eligible jurisdictions.)

- **Poverty**
- Overpayment for housing by low-income households
- **Vacancy rates**
- **Age of housing stock (pre-1970)**
- Substandard housing units
- **Overcrowding**
- Risk of conversion to market rate
- **Ratio of median home sales price to median household income**
- Program or project feasibility

Program Activities

- Program guidelines in compliance with state and federal requirements
- Community need
- Demonstrated market
- Financial feasibility

Projects

- Financial feasibility
- Greatest percentage of assisted units
- Readiness of activity to be implemented (rental and FTHB projects)
 - Project development plan
 - Status of local government approvals
 - Design progress
 - Financing commitments
- Additional points are awarded for the following:
 - Jurisdictions whose formula allocations have been reallocated by HUD to the state HOME Program
 - Housing element compliance
 - Application proposes activities in a rural area
 - State objectives identified in the Annual Plan – In the 2007-08 funding round, up to 150 points were awarded for the following:
 1. Up to 50 points to rental project applicants who committed to provide rents at or below the HOME “State Objective” rent level for their county. State Objective rents range from 35% of Area Median Income (AMI) to 55% of AMI.
 2. Up to 100 points to rental project applicants who had 100% of their non-HOME construction and permanent financing committed by the HOME application deadline.

Use of Funds

During 2007-08 the state was allocated \$59,266,283 in HOME funds. The state retained \$4,375,000 for state administration of the HOME program.

In 2006-07 \$54,890,730 the entire 2007-08 HUD allocation was awarded in the effort to accelerate expenditures. The state pre-committed a \$51,952,820 in 2008-09 HOME funds in 2007-08, which would have been awarded in November 2008. The actual awards included:

Community Housing Development Organizations (CHDOs)

Federal HOME regulations require that at least 15 percent of each HUD FFY award be

allocated to CHDOs, which are nonprofit developers that meet criteria to apply directly to HCD for HOME funds. **XX** CHDOs are currently HCD-certified, and the HOME program works with additional nonprofit corporations to help them qualify as CHDOs.

For the balance of the 2007-08 HUD allocation of \$ \$XXXX (\$XXXX combined with the supplemental award of \$XXXX from FFY 2007), the required 15% CHDO set-aside was \$XXXX. During the reporting period, \$XXXX was awarded to X CHDOs representing XX percent of the total \$XXX awarded.

Actual awards included:

Table 16
HOME Awards in 2007-08

Available funds	Awarded
2008-09 HOME funds	\$51,952,820
2007-08 American Dream funds	\$0
2006-2007 HOME funds	\$0
2006-2007 American Dream funds	\$0
Prior year contracts	\$24,491,905
Prior years American Dream funds	\$0
Total Awards, 2007-08	\$76,444,725

During 2007-08 HOME awarded \$51,952,820 in 2008-09 funds and \$24,491,905 in 2007-08 and prior year funds.

Table 17
Number, Recipients and Uses
of HOME and American Dream (ADDI) Awards

Funds	Recipients	Local Assistance	Administration	Total Funds	# Awards
HOME	State Recipients:	\$57,222,465	\$1,412,210	\$58,634,675	70
	CHDOs:	\$17,548,182	\$261,868	\$17,810,050	6
	TOTAL	\$74,772,647	\$1,674,078	\$76,444,725	76
ADDI	State Recipients:	\$0	\$0	\$0	0
	Participating Jurisdictions	\$0	\$0	\$0	0
	TOTAL	\$0	\$0	\$0	0
Total HOME Funds		\$74,770,647	\$1,674,078	\$76,444,725	76

One HOME NOFA was released On June 1, 2007 for a total of \$53 million, with a closing date of August 15, 2007. Conditional reservations of funds were issued for this NOFA in October, 2007 for programs and December, 2008 for projects.

No awards were made with American Dream funds. The 2008-09 \$371,363 in American Dream funds were retained for distribution in 2008-09. The geographic distribution of HOME awards is shown in Tables 2a and 2b.

Approximately 39 percent of funds awarded were for assistance to homebuyers and 61 percent for assistance to renters. The distribution of activities funded was as follows:

A total of \$132,193,686 was requested for rental projects, program activities and FTHB projects. A total of \$76,444,725 was awarded to a total of 76 applicants. \$44,014,089 was awarded to 15 rental project applicants; \$28,808,400 was awarded to 58 program activity applicants, and \$3,622,236 was awarded to 3 FTHB project applicants.

Table 18
HOME Awards by Activity Type

Type of Activity Funded	Funds Awarded	Number of Activities	Funds
First-Time Homebuyer Acquisition*	\$16,883,819	29	23%
First-Time Homebuyer New Construction	\$3,622,236	3	5%
Owner-Occupied Rehabilitation	\$10,824,581	26	15%
Rental Rehabilitation	\$0	0	0%
Rental New Construction	\$44,014,089	15	54%
Tenant Based Rental Assistance	\$1,100,000	3	3%
Total	\$76,444,725	76	100%

The 54 awards funded 76 activities including:

- 29 first-time homebuyer programs,
- 3 first-time homebuyer new construction project
- 15 rental new construction projects
- 26 owner-occupied rehabilitation programs
- 3 tenant-based rental assistance programs.

2007-08 awards did not fund any rental rehabilitation programs. These activities are projected to assist 1,039 households. Tenant relocation assistance is discussed in Appendix A. There was one American Dream award, to a participating jurisdiction that did not receive a HUD allocation. No American Dream awards were made to State Recipients, as HCD has already awarded all American Dream funds through 2007-08. We chose not to award the 2007-08 funds in 2007-08, to ensure equity for participating jurisdictions or members of HOME consortia that do not receive a HUD allocation for the American Dream Down Payment Initiative in 2007-8.

HOME awards during 2007-08 are projected to assist 526 lower-income renter households and 513 lower-income homeowner households.

California administers the largest state HOME allocation in the nation and has one of the largest and most diverse housing markets. Land, materials, and labor costs have been among the highest in the nation, and have been among the hardest hit by the decline in housing and credit markets. The still-high need for affordable housing and increasing costs increase the complexity of the housing financing and development process. Federal and state tax credits and tax-exempt bonds provide the largest source of funding for affordable housing in the state, but to successfully secure these funds, applicants must have all of their HOME financing (“soft money”) committed first.

Summary of Accomplishments

During 2007-2008, the HOME program:

- Maintained filing of Project Completion Reports in a timely manner.
- Continue to accelerate our award of funds so that we awarded the full 2008-09 HUD allocation in 2007-08, in addition to funds from disencumbered contracts.
- In June 2008, conducted training workshops for projects and program activities for our 2008-09 NOFA. The rental project workshop was held in Sacramento, and program workshops were held in Sacramento, Redding, Visalia, Monterey, Simi Valley and Riverside. A conference call was held for potential FTHB project applicants. A total of approximately 200 people attended.
- In January and February, 2008, conducted four “HOME Beginners” trainings for State Recipient and CHDO staff with less than 12 months experience with HOME. Trainings were held in Woodland, Glendora, El Centro and Visalia. Over 80 people registered to attend. (Registration was limited to keep the classes small in order to facilitate participation.)
- HOME staff and grantees also attended several HUD-sponsored HOME trainings during the year, including the Building HOME, HOME Specialist Certification Training, NEPA, Davis Bacon, and the rental housing development training conducted for California by the Rural Communities Assistance Corporation (RCAC).
- In December 2007, the State Office of Administrative Law approved amendments to the State HOME regulations:
 1. OMB A-133 Audit
Amendments require State Recipients and CHDOs to submit evidence with the HOME application that they have complied with submittal requirements of the OMB A-133 Single Audit Act.
 2. Homebuyer Loan Terms
Amendments permit FTHBs assisted with HOME funds to have first mortgage terms exceeding thirty years. The primary mortgage must still be a fixed rate, fully amortizing loan pursuant to HOME requirements. “Interest-only” loans are not permitted.
 3. Homebuyer Education
Amendments require FTHBs assisted with HOME funds to receive basic homebuyer education on specified topics. State Recipients and CHDOs shall

determine the format best suited for providing homebuyer education to their assisted homebuyers (e.g., classroom instruction, one-on-one counseling, written materials, and internet). **Homebuyer Education will be required for all FTHB loans made after June 30, 2008.**

4. Rental Housing Affordability Requirements
Amendments require regulatory agreements for HOME rental projects to reflect actual rent levels approved by the department at the time the project is funded (expressed as a percentage of Area Median Income, AMI).
5. Tenant-Based Rental Assistance (TBRA)
Amendments permit TBRA funds to be used in all HOME-eligible jurisdictions in the county where the funds were awarded.
6. NOFA Activities
Amendments clarify that the Notice of Funding Availability shall specify all activities for which funds will be made available.
7. Application Requirements and Form
Amendments require submission of certain documents with the HOME project application in order to evaluate rental and FTHB project feasibility. These include a market study (or for FTHB projects, market comparables), an appraisal, Phase I/Phase II Environmental Site Assessments for new construction projects, and lead, asbestos, and mold assessments for rehabilitation projects. FTHB projects must submit project guidelines similar to those now required for FTHB programs.
8. State Objective Rating Points
Amendments increase the number of application rating points, from 50 to 150, that can be earned for meeting State Objective policy goals in the NOFA.
9. Project Application Performance Penalties
Currently, HOME provides application rating points for the experience of the project applicant, developer, owner, and managing general partner. Amendments permit the department to deduct rating points from a project application based on prior State HOME performance of the applicant, developer, owner, and managing general partner. Points will be deducted for the following for the five-year period identified in the NOFA:
 - (a) If the applicant, developer, owner, or managing general partner involved with the current HOME application has been the applicant, developer, owner, or managing general partner in HOME projects awarded in the last five years that have missed project deadlines, such as obtaining all necessary permanent financing, project set-up, or final expenditure of funds.
 - (b) Material misrepresentations of fact made in the last five years by the applicant, developer, owner, or managing general partner, regarding any requirement or fact in an application, project report or other document submitted to the department, including but not limited to any which jeopardize the department's investment in a project or place the department at risk of a monitoring finding.

(c) Noncompliance by applicants, owners, or managing general partners with monitoring findings identified by the department in the last five years.

(d) Late submittal of monthly project status reports, quarterly program income reports, annual reports, or project completion reports for the five-year period specified in the NOFA. (These deductions are taken for applicant performance only.)

- Continued use of a common rental project funding application form with other state housing programs, including other HCD programs, the California Housing Finance Agency, the California Debt Limit Allocation Committee and the California Tax Credit Allocation Committee. This common application makes the application process less burdensome for applicants who seek funding from more than one State source.
- Continued providing contracts for first-time homebuyer, owner-occupied rehabilitation and tenant-based rental assistance to be used interchangeably without a contract amendment. This allows jurisdictions to determine where their funds may be best used, and to transfer funds to another program if a local circumstance prevents the original activity. For example, before the housing slump, high costs made it difficult to implement many first-time homebuyer programs, so local jurisdictions shifted funds to owner-occupied rehab or TBRA, where the funds could be more easily spent
- Continued implementing a new software system (CAPES) for HCD's financial assistance programs. This is an enterprise level database (i.e., for the whole department) to ensure consistent accountability and data reporting.
- Continued our partnership with the Rural Community Assistance Corporation (RCAC) to provide HUD-funded technical assistance to existing CHDOs in rural communities, with emphasis on capacity building and preserving existing units.
- HOME continues to improve its HUD SNAPShots ranking. In addition to forward funding of future year allocations, we continue to explore new ways of increasing our expenditure rate, including: (1) offering additional rating points to projects that have all their non-HOME financing committed when they apply to HOME, (2) offering additional points to development team members with previous HOME projects that were completed within 30 months of award, and (3) offering additional points to projects with their local entitlements in place at the time of their HOME application, and their utility service in place before construction loan closing. We also deduct points from project applications if development team members have missed HOME project deadlines, possibly resulting in delayed expenditure of funds or delayed project completion.
- Beginning in fall 2008, we will meet with other funders of rental rehabilitation projects to work out differences in rents and subsidy levels, operating budgets, scope of rehab work and other issues affecting financial feasibility before we commit to a project. Having sticky issues resolved before commitment should speed up the construction loan closing process and enable these projects to be completed, and funds expended, earlier than if these problems emerged at closing. If this "pre-commitment" coordination process works well, we may use it with some of our rental new construction projects.

- HOME now sets up project records in IDIS when we enter into a contract with our grantees, rather than waiting until construction loan closing or start-up. This new timeline will not affect our normal due diligence review before the start of construction and the release of HOME funds. However, it should enable us to set up projects sooner, increasing our Funds Committed ranking. We have also stopped sub-granting in IDIS, because of the technical difficulties this creates and the resulting delays in set-up and the award of funds.
- For program activities, we continue to prohibit jurisdictions from reapplying for new HOME funds until they have expended at least 50% of their existing HOME program-activity funds. This has improved our expenditure rate for program activities in the past two years, since most jurisdictions want to get new funds into their programs every year. Enough jurisdictions have reached the 50% expenditure level since this requirement took effect three years ago, that the demand for program activity funds now exceeds the supply.
- HOME waived match for all activities in 2007-08. Contractors must still report the HOME-eligible match they have, but the State has enough banked match to meet the federal match requirement; thus reducing the administrative and financial burdens of the match requirement on the HOME contractor.

Community Housing Development Organizations (CHDOs)

Eighteen CHDOs currently have HCD certification, and the HOME program continues to work with additional nonprofit corporations to help them qualify for certification.

HOME federal regulations require that at least 15 percent of each HUD FFY award be allocated to CHDOs. As applied to the 2007-08 total awards of \$76,444,725 this gives a 15% CHDO set-aside of \$11,466,708. During the reporting period, \$17,050,000 was awarded to five CHDOs, or 22 percent of the total amount awarded.

▪ Reporting

HOME sent Annual Performance Report (APR) forms to all State Recipients and CHDOs that have had eligible reporting activity during 2007-08. Several jurisdictions which have not reported to HCD are now either PJs or ineligible jurisdictions as members of a Consortium or Urban County, and therefore would not apply for State HOME funds in the future. This does not, however, absolve those jurisdictions from state-required reporting for previous years. The non-responding jurisdictions are:

State Recipients:

CHDOs:

Participating Jurisdictions:

Apple Valley, Citrus Heights, Corona, Davis, Merced, Oakdale, Redding, Salinas, Santa Cruz City, Stanislaus County, Ventura County, Westminster.

Program Income and Leveraged Resources

- **Program Income (PI)**

Total PI collected by HCD for 2006/07 was \$XXXX. Of the total, \$XXXX was encumbered and disbursed in existing contracts during 2006-2007 with \$XXXX to be encumbered and disbursed in 2007/08. This represented an additional \$XXXX in prior year funds to be awarded in HOME NOFAs, with \$XXXX being retained for State Administrative expenses.

PI and recaptured funds collected by State Recipients in 2007-08 totaled \$XXXX (\$XXXX in PI and \$XXXX in recaptured funds). These were used to assist XXX units (XX rental units, XXX owner-occupied).

Of the households occupying these units XX had incomes of XX percent or less of median income; XX had incomes ranging from XX to XX percent of median income; XX had incomes of from X to XX percent of median income; XXX had incomes ranging from XX to XX percent of median income. Additional details about units funded with program income appear in Table 15.

- **Leverage**

During 2007-08, HOME program funds were matched with \$XXXX from other sources, a two percent decrease over the previous year. Also during the reporting period, applicants sustained their contribution of leverage with a three percent increase in the amount from \$XXXX to \$XXXX. This results in \$XXXX being leveraged for every HOME dollar, a XX percent increase over last year's ratio of \$XXX.

In rating and ranking for the general HOME program, points are no longer given for leverage of other funds, because this has been found to discourage smaller projects that use more HOME funding and have a higher affordability, and to encourage larger projects with lower affordability, often using 9% tax credits, which slows the expenditure of HOME funds.

However, the recording of match necessary for financing is still required, as well as for HOME-like match, so HCD can continue to provide match activity waivers.

- **Match**

For 2007-08, HOME provided a match activity waiver for all activities because of excess or "banked" match that we already have. However, we still require all grantees to report match so that we can continue to bank it for future years.

HOME has requested Match Waivers for the following federally declared disasters:

February 3, 2006 Declared FEMA-1628-DR, Severe Storms, Flooding, Landslides and Mudslides in the counties of Contra Costa, Del Norte, Lake, Marin, Mendocino, Napa,

Siskiyou, Solano and Sonoma, in effect October 1, 2005 to September 30, 2008.

June 5, 2006 declared FEMA-1647-DR, Severe Storms, Flooding, Landslides and Mudslides in the counties of Alameda, Amador, Calaveras, El Dorado, Lake, Madera, Marin, Merced, Napa, Nevada, Placer, San Joaquin, San Mateo, Santa Cruz, Sonoma, Stanislaus and Tuolumne, in effect October 1, 2005 to September 30, 2008.

March 13, 2007 declared FEMA-1689-DR, Severe Freeze, Severe Storms in the counties of Fresno, Imperial, Kern, Los Angeles, Monterey, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Tulare and Ventura, in effect October 1, 2006 to September 30, 2009.

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Table 19
HOME 2007-08: Beneficiaries Assisted with Program Income

Size of Household	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 or More	Vacant	Total
	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX

Type of Household	Single non-Elderly	Elderly	Related/ Single Parent	Related/ 2 Parent	Other	Vacant	Total
	XX	XX	XX	XX	XX	XX	XX

No. of Bedrooms	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 or More	Total
	XX	XX	XX	XX	XX	XX	XX

Race/Ethnicity of Head of Household	White	Black	Asian	American Indian/ Alaska	Native Hawaiian/ Pacific	Asian & White	Black & White	Am.Ind. Alsk/ Blk	Other	Vacant	Total
Non Hispanic	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX
Hispanic	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX
Vacant	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX
Total	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX

Occupancy	Rental Units	Owner Units	Vacant	Total
	XX	XX	XX	XX

Percent of Area Median Income	0 – 30 %	30-50%	50-60%	61-80%	Vacant	Total
	XX	XX	XX	XX	XX	XX



State Recipient Rental Project: Terracina Spring Lake Apartments

Location: City of Woodland (Yolo County)
Home Investment Partnerships Program 05-HOME-1669
Rental New Construction Project

Completed in fall 2007 by the City of Woodland in partnership with USA Properties, Terracing Spring Lake Apartments provides 156 units of new rental housing for low and very low-income single individuals and families in Woodland. 85 of the units are HOME-assisted.

Total development cost was approximately \$32,085,326. HOME provided \$4,000,000 for construction and permanent financing. Other financing included federal low income housing tax credits (\$15,043,912), tax-exempt bonds (\$8,900,000), deferred developer fee and owner equity (\$1,329,792), farmworker housing grant (\$168,500), and local funds and fee waivers (\$2,643,122) including \$189,000 in HOME program income.

The project will assist households with incomes between 50%-60% of Area Median Income. Household incomes range from \$1133 to \$3190 per month. Monthly rents for the HOME units will range from \$550 to \$929.

The HOME units include 28 one bedroom units, 29 two-bedroom units, and 28 three bedroom units. Unit sizes are 706 square feet (1-bedroom), 964 and 1014 square feet (2-bedroom) and 1129 square feet (3-bedroom). All units have Energy Star appliances including a dishwasher, garbage disposal, and central heat and air conditioning, along with washer/dryer hook-ups. Each unit also has a private patio or balcony. The project has an outdoor tot lot and a community building, including central laundry facilities, kitchen and meeting area, computer room, and fitness facilities. Fifty-two of the units are Section 504 accessible, including 23 HOME units.



CHDO Rental Project Parkhurst Terrace

Location: Aptos, CA

Home Investment Partnerships Program 05-1664

Rental New Construction Project

Completed in December, 2007 by Mid Peninsula, The Farm, a state-certified CHDO, Parkhurst Terrace provides 68 units of new rental housing for very low and extremely-low income families, including 33 HOME-assisted units.

Total development cost was approximately \$26,874,127. HOME provided \$5 million for construction and permanent financing. Other financing included 4% tax credits (\$10,889,215), tax-exempt bonds (\$1,350,000), state Multifamily Housing Program funds (\$5, 833,485), County Redevelopment Agency funds (\$2,316, 427), General

Partner equity and deferred developer fee (totaling \$1,077,000), and Federal Home Loan Bank Affordable Housing Program funds (\$408,000).

The project assists families with incomes from 20% to 50% of Area Median Income. The HOME units include:

- 3 one-bedroom units
- 12 two-bedroom units
- 14 three-bedroom units
- 3 four-bedroom units
- 1 manager's unit

Household incomes range from \$359 to \$2406 per month. Monthly rents for the HOME units range from \$422 to \$825. Unit sizes are 650 square feet for the one-bedroom units; 850 square feet for two bedrooms; 1100 square feet for the three-bedroom units, and 1350 square feet for the four-bedroom units. The project consists of 19 two-story buildings with a total of 72,000 square feet. The project includes two playgrounds, a basketball court, on-site laundry facilities, a community center and a computer center. Activities on-site include after-school tutoring and a summer enrichment program. The project also has an on-site supportive service coordinator.

Monitoring

Close-out Monitoring

Contract closeout monitoring is performed for program activities such as FTHB down payment assistance, OOR and TBRA, which have no identified site at the time of application.

HOME determines contract closeout monitoring priorities based on the following criteria:

1. New HOME recipient
2. HOME recipient who has never been monitored; or who has not been monitored in the past five years.
3. HOME recipient with new 2008 contracts who also has contracts in the 2004-2007 contract years
4. HOME recipient with significant problems such as:
 - a) Submits a Setup/Project Completion Report with the individual recipient over income limits; or
 - b) Submits a Setup/Project Completion Report with the amount of HOME funds above the 221 (d) (3) limit
5. HOME recipient that had/has significant A-133 Audit Issues
6. HOME recipient with significant staff turn-over, or that has discontinued use of an administrative subcontractor and has decided to do the work "in-house"
7. HOME recipient requests a monitoring visit.

For 2007-08, HOME conducted 11 in-person close-out monitoring visits, and began a new desk monitoring process by conducting 12 desk monitorings.

Long-Term Monitoring

Staffing: During 2007-2008 the long term monitoring unit had 3 ½ full-time staff.

Types of Monitoring: HOME conducts long-term monitoring office reviews and field visits for both CHDO and State Recipient rental projects. One full-time staff-member collects documentation and processes certification requests for Community Housing Development Organizations (CHDOs).

a. Office Review

CHDOs: An office review for CHDO projects consists of a Management Questionnaire, an Annual Affirmative Marketing/Fair Housing Report, and a five-page Annual Report submitted by the borrower for each rental project. HOME requires these to be

submitted within ninety days after the end of the project's fiscal year. HOME reminds borrowers by mail of this requirement.

Table 20
CHDO Annual Report & Questionnaire

Fiscal Year	Number of Letters	Mail Date	Due Date	<u>State</u>
January 1 – December 31	53	February 15	April 1	
July 1 – June 30	18	August 15	October 1	
November 1 – October 30	6	December 15	February 1	
TOTAL PROJECTS	77			

Recipients: For rental projects with 5 or more units, an office review consists of an Annual Monitoring Report (questionnaire); a Project Compliance Report; a copy of the State Recipient's last long term monitoring Summary Letter and Clearance Letter to the project's owner / manager, and a copy of the project's Annual Affirmative Marketing Analysis Report. For projects with 1 to 4 units, an Annual Affirmative Marketing Analysis Report is not required.

State Recipient projects were separated into three groups based on HUD's minimum monitoring schedule of: (a) annually for projects with 26+ units, (b) biennially for projects with 5 to 25 units, and (c) every three years for projects with 1 to 4 units. The three large groups were further separated into smaller divisions based on location for a total of eight subsets:

Table 21
HOME State Recipient Projects
(Contracts Completed 1992-2004)

Project Size	Date Sent	Date Due	# Projects
1 – 4 units	August 15 2007	October 1, 2007	24
	September 15 2007	November 1, 2007	11
	October 15 2007	December 1, 2007	12
5 – 25 units	April 15, 2008	June 1, 2008	24
	May 17, 2008	July 1, 2008	25
26+ units	January 15, 2008	March 1, 2008	37
	February 15, 2008	April 1, 2008	36
	March 15, 2008	May 1, 2008	<u>25</u>
		Total	194

A long-term monitoring package from each State Recipient was due within 45 days from the date of the "Request for Annual Monitoring Documentation."

HOME plans to send an additional 41 letters between August 15 and September 15, 2008

to State Recipients with 1 – 4 unit rental projects, requesting them to report on their on-going monitoring processes.

	Mail Date	Due Date	No. Letters
1 – 4 units	August 15 2008	October 1 2008	19
	September 15 2008	November 1 2008	<u>22</u>
			41

A completed questionnaire, Project Compliance Report, copy of the State Recipient's Summary letter and Clearance letter will be due for each project within 45 days from the date of the "Request for Annual Monitoring Documentation."

Report Analysis and Risk Assessment

HOME's review of each State Recipient's Annual Monitoring Report package helps to determine whether a site visit will be scheduled by HOME monitoring staff. Similarly, review of each CHDO Annual Report and Management Questionnaire helps determine which projects should be visited each year.

State Recipient - Project Compliance Report – This report is completed annually by the owner or managing agent and submitted to the State Recipient monitor, who reviews it for compliance with HOME rent, occupancy, recertification, and income requirements. The monitor executes and dates the report and submits a copy to HOME. HOME samples reports for compliance, and sends a letter to the State Recipient detailing any non-compliance issues. State Recipients are required to respond within 45 days and receive a clearance letter from HOME monitoring staff to confirm correction of compliance issues.

Risk Assessment Questionnaire – Long-term Monitoring staff also review State Recipient and CHDO questionnaires and prepare a risk assessment for each rental project. High or low risk is determined based on the following factors:

- Previous long-term monitoring results
- Timeliness and accuracy of required reports to HOME
- Project-specific factors such as size and lead-based paint compliance
- Performance based on whether the owner or property manager conducted inspections and annual recertifications, used appropriate HOME rents and HUD income limits, and whether there were changes in on-site management or property ownership
- Whether there appeared to be an understanding of program objectives
- Whether replacement and operating reserves of CHDO projects were adequately maintained

Due to the large number of HOME-assisted State Recipient and CHDO rental projects, report analysis takes place throughout the year.

Table 22
HOME CHDO and State Recipient Risk Assessments

	CHDO Projects	State Recipient Projects
Assessment Completed - Deemed high risk	5	4
Assessment Completed - Deemed low risk	65	96
SUB-TOTAL	70	100
Received documents - assessment not yet done	0	52
Documents not received/Incomplete package received	7	42
Subtotal	7	94
TOTAL PROJECTS	77	194
Percentage of Risk Assessments Completed	91%	52%

b. Field Visits

CHDOs: During the required period of affordability, HOME is responsible to HUD for on-site monitoring of CHDO rental projects and for continued compliance with federal and state regulations.

State Recipients: Monitoring reviews State Recipient overall performance and adherence to program requirements, and provides technical assistance.

Scope of Review: During a long-term monitoring visit to a CHDO or State Recipient rental project, HOME staff collects data, inspects selected units and documents information on checklists that reflect HOME requirements. This information serves as a basis for the monitoring report.

HOME uses the following criteria to determine eligibility for a field visit:

1. Contractors who received a high-risk rating
2. Contractors who have not received a field visit within the last three years
3. Rental projects with 26 or more units, requiring annual review
4. Manager requests a visit

From July 1, 2007 through June 30, 2008, Long-Term monitoring staff completed site visits for seven State Recipient and five CHDO rental projects.

By the end of calendar 2008, HOME long term monitoring staff plans to conduct on-site visits of projects categorized as high risk based on the on-going risk assessment process. State budget constraints, however, may require that some or all of these be desk-monitored instead of field-monitored.

- **Community Housing Development Organizations (CHDOs)**

Eighteen CHDOs currently have HCD certification, and the HOME program works with additional nonprofit corporations to help them qualify for certification.

HOME program federal regulations require that at least 15 percent of each HUD FFY award be allocated to CHDOs . For the 2008 HUD Allocation \$55,776,502 provided in 2007-08, then the required 15% CHDO set-aside is \$8,366,475. During the reporting period, \$17,050,000 was awarded to 5 CHDOs representing 22 percent of the total amount awarded of \$76,444,725.

Program Outreach

HOME continues outreach to its customers in a variety of ways.

HOME managers and staff conduct individual project meetings with projects funded under the current NOFA. These meetings are held in lieu of large contract management trainings so that each meeting can have a project-specific focus and tailored technical assistance can be provided. Topics covered include discussion of a project's responsibilities in the following areas:

- NEPA
- Federal and state prevailing wage requirements
- EO/Affirmative Marketing
- HOME reporting requirements
- Importance of HCD Loan and Grant Committee Project Report as a binding document
- Current project status and project changes after application submission
- Document submittal and processing, including meeting HOME deadlines
- Disbursement of HOME funds
- Coordination with other lenders and permanent loan closing (CHDOs)
- Long-term monitoring

HOME also reaches out to its customers through staff and manager attendance at major state housing conferences, such as Housing California held annually in April/May, and the Rural California Housing Summit held annually in October. Every year at the Rural Summit there is a federal programs feedback session where HOME updates attendees on what the program is doing, and gets feedback on program issues.

HCD continues to use e-mail and the internet to distribute its NOFAs, application materials, and other program updates. HOME also communicates approximately annually with its policy Advisory Committee, composed of HOME-eligible jurisdictions, CHDOs, and housing consultants.

(See the "Summary of Accomplishments" section for more information on outreach through training workshops.)

Furthering Fair Housing

Commitment to Fair Housing and Equal Opportunity

A commitment to fair housing and equal opportunity in employment and business contracting is required of all jurisdictions and CHDOs that receive HOME funding. HOME provides training in Fair Housing and Equal Opportunity requirements. There are separate chapters on these issues in our Contract Management Manual, and we discuss Affirmative Marketing and community-wide marketing extensively in our individual project meetings. HOME also has a Fair Housing/EEO Specialist for technical assistance.

HOME continues to communicate with its jurisdictions regarding their fair housing activities. However, many of these activities continue to be administrative in nature, and have become such a routine way of doing business that they do not stand out unless a potential problem arises.

HOME Standard Agreements include, but are not limited to, requirements that:

- All projects with 5 or more units comply with affirmative marketing requirements.
- Each contractor must assure that no qualified persons shall be excluded from participation or employment, or denied the benefits of HOME-assisted housing, and shall not be subject to discrimination based on race, color, national origin, sex, age, handicap, familial status, religion or belief.
- HOME-assisted housing must comply with 24 C.F.R. Part 8, concerning accessibility to the disabled.
- Construction and rehabilitation associated with HOME projects must comply with Section 3 of the Housing and Urban Development Act of 1968 in providing employment and contracting opportunities to low-income residents of the community in which the project is being developed.

The following is required of contractors:

- Contractors who receive HOME funds for a rental project must submit a certification from the project architect that the project plans and specifications comply with Section 504 of the Rehabilitation Act of 1973 and the federal Fair Housing Act.
- Contractors who receive HOME funds for any project containing five or more units must submit their affirmative marketing procedures.
- All contractors must submit evidence that they have solicited minority- and women-owned businesses before they enter into any HOME-funded contracts.

HOME monitors contractor performance during construction closeout, and periodically during the affordability period. HOME examines the following:

- Demographic information on the jurisdiction, applications for assistance, waiting lists, and actual beneficiaries to determine if there is general parity between the demographic characteristics of the community and the beneficiaries of HOME funds

- Local processes for hiring, firing, and promoting in departments administering HOME funds, and the demographic characteristics of employees in those departments
- Local procurement procedures for the steps taken to recruit women and minority contractors
- Affirmative marketing procedures
- Whether all contracts contain appropriate equal opportunity language.

To be competitive for HOME funding, virtually all city and county applicants must have a housing element that has been determined by HCD to be in substantial compliance with state housing element law. Housing element law requires cities and counties, among other things, to have a fair housing program to disseminate information and receive and refer complaints concerning housing discrimination. This helps assure that local jurisdictions are committed to fair housing. The jurisdiction must, at a minimum, obtain and display posters in public places utilized by large numbers of low-income persons, obtain brochures from the regional office of DFEH, and establish and publicize the process of distributing such information to persons within the jurisdiction who might be victims of discrimination.

HCD collects data on the characteristics of beneficiaries from each contractor through the APR. The ethnic distribution of HOME-assisted households is shown in Table 3.

Minority Outreach

HCD collects information and reports to HUD on the participation of minority and women-owned businesses (M/WBE). The level of M/WBE participation varies based on the amount and type of the HOME-assisted activity during a reporting period, and how contractors acquire goods and services. During 2007-08, XXX businesses with contracts totaling \$XXXX participated in the State-administered HOME Program. Of the total, XX minority-owned businesses (XX percent) with contracts totaling \$XXXX, and XX women-owned businesses (XX percent) with contracts totaling \$XXXX, participated in the State-administered HOME Program.

HCD has continued to promote equal opportunity through NOFA training workshops and contract management workshops. We also continue to monitor performance in this area and provide additional training and technical assistance as appropriate.

Home recently surveyed State Recipients and CHDOs regarding fair housing activities they are undertaking, impediments to fair housing, and additional training needs in these areas. Over XXX responses were received.

Assessment of and Response to Specific Objectives

Goal 1: Meet the housing needs of low-income renter households

Objective 1: Continue streamlining application requirements between HOME and the State's other rental housing programs through use of the State Universal Rental Project Application.

Accomplishment: HOME continues to play an active role on the Universal Application implementation team, and has been using the common rental project application for the past two funding rounds. We also meet with our sister program in HCD, the state-funded Multifamily Housing Program (MHP), on how to streamline our rating processes and coordinate the evaluation of rental rehabilitation projects by multiple programs and lenders. This coordination may also occur with some of our special needs projects funded through the State's Mental Health Services Act (MHSA).

Objective 2: Explore amendments to State HOME regulations that govern rental activities.

Accomplishment: In December 2007, the State Office of Administrative Law approved several changes to the HOME regulations governing rental activities. See the "Summary of Accomplishments" Section for more information.

Objective 3: Continue using State Objective Bonus Points to encourage rents lower than the standard Low and High HOME rents.

Accomplishment: In 2007 HOME awarded State Objective bonus points for achieving certain rent levels. The State Objective Rent Level was different for different counties, with the lower-income counties having higher State Objective Rent levels. While these rents were all below High HOME Rents, for some counties they were above the Low HOME Rent. Consequently, many applications received full points for this rating factor.

For 2008, we have set the State Objective Rent level at 50% of AMI or below for all jurisdictions in an effort to improve our SNAPShots ranking in this area, to better provide point distinctions between applicants, and most importantly to serve this very needy community. We have also added a second State Objective to provide points for projects proposing specific financing sources for special needs housing, such as HUD 202, 811, and Supportive Housing Program funds.

Goal 2: Meet the housing needs of low-income homeowners

Objective 1: Explore amendments to the State HOME regulations which govern FTHB and OOR activities.

Accomplishment: In December 2007, the State Office of Administrative Law approved amendments to the HOME regulations governing these activities. See the "Summary of Accomplishments" Section for more information.

Objective 2: Research reasons for low homeownership rates among African Americans, and develop a plan to address these issues.

Accomplishment: We have not pursued this research. Existing research has answered some questions. HOME will discuss this issue further with State Recipients and CHDOs in the coming year as it relates to all minority groups.

Objective 3: Continue streamlining the State CDBG, HOME, and CalHome programs through the development of common model program guidelines and a guidelines review checklist for OOR.

Accomplishment: Better communication among the three programs has led to the conclusion that the common model program guidelines may not be worthwhile. We are re-evaluating the policy of common model program guidelines because it is unnecessarily complicated and makes the guidelines too complex for the average participant to understand easily.

Objective 4: Allow longer mortgage terms to make it easier for low-income first-time homebuyers to qualify for mortgages.

Accomplishment: This change was made when HOME recently amended its regulations. Homebuyers can now take out first mortgages with terms exceeding 30 years, provided they are still market rate, fully amortizing loans.

Objective 5: Work with community land trusts to promote use of HOME funds for FTHB activities.

Accomplishment: HOME has assisted units on two community land trusts. This model works well in high cost housing areas where the loan servicing is done locally by the State Recipient jurisdiction, but it does not work as well for CHDO projects where the loan servicing is done by HCD from our headquarters in Sacramento. Because of concerns over increased workload on these projects to perform income qualification of tenants, and possible higher turnover of these units, the decision was made to disallow community land trust projects where the applicant is a CHDO and loan servicing is done by the department, until HOME can hire additional staff. However, CHDOs can still obtain HOME funds for these projects if the State Recipient submits the application and will service the loans on units in their jurisdiction. Because of this limitation on HOME's involvement with community land trusts we are not doing specific outreach to them at present.

Objective 6: Require recipients of HOME funds for first-time homebuyer assistance to provide housing counseling to buyers, so they are better equipped for the responsibilities of owning a home.

Accomplishment: In December 2007, the State Office of Administrative Law approved this change to the HOME regulations. See the "Summary of Accomplishments" Section for more information. The specific requirements for the Homebuyer Education curriculum can be found in [Section 8207.1 of the State HOME Regulations](#).

Goal 3: Meet the housing and supportive housing and accessibility needs of the homeless and other special needs groups, including prevention of homelessness

Objective 1: Permit State Recipients to establish preferences pursuant to federal and State HOME requirements for use of TBRA funds to serve victims of local, state, or federally declared disasters.

Accomplishment: This was done pursuant to our 07-08 and 08-09 Annual Plans.

Objective 2: Assess how HOME funds can be used in projects developed under the State's Mental Health Services Act (MHSA).

Accomplishment: We anticipate that we will receive at least one application for HOME funds from an MHSA project in the 2008 funding round. We have done initial research into MHSA underwriting requirements to identify similarities and differences between MHSA and the department's Uniform Multifamily Regulations (UMRs), as well as other State and federal HOME requirements. This work will continue when MHSA projects apply for HOME funds and we work with CalHFA to reconcile specific differences. We also award State Objective rating points to MHSA projects to encourage them to apply.

Objective 3: Continue waiving Uniform Multifamily Regulation requirements when a project is jointly funded with HOME and HUD Section 202 funds

Accomplishment: We funded one HUD 202 project in 2007 with UMR waivers, and we will likely continue this practice. We have also provided specific guidance to HUD 202 applicants on how to present their projects on our Universal Rental Project Application form, since the form has many built-in formulas that prevent a project from showing zero net distributions every year pursuant to 202 requirements.

Objective 4: Continue offering larger HOME loans to Preservation projects where current affordability levels are maintained.

Accomplishment: In 2007 HOME offered an additional \$2 million (for a total HOME loan of \$4 million) to Preservation projects at risk of losing their rental subsidy, if 80 percent of all units in the project will be restricted to tenants with household incomes of less than 50 percent of AMI. Rents for these units must be no more than the Low HOME rent. If rents meet this Low HOME rent level due to rental assistance payments, the rental assistance must be renewable or there must be a plan for continuing to provide this level of rent subsidy for the entire affordability period when the existing rental assistance expires. Two projects applied for these funds, but were not funded.

In the fall of 2008, HOME is offering \$8 million dollars to rental rehabilitation projects, including Preservation projects that meet the above requirements, under a separate NOFA. This should make it easier for Preservation projects to compete for these dollars, since they won't have to compete against the larger group of rental project applicants under our main NOFA.

Objective 5: Continue offering additional “deep targeting” funds to rental projects that provide deeper affordability

Accomplishment: In 2007-08, HOME offered an additional \$1 million to projects with a portion of their rents at 40% AMI or below (for a total HOME loan of \$5 million). The additional \$1 million is to be used to reduce the project’s private mandatory debt, and to pass this savings on to tenants in the form of lower rents. One project applied for these funds in 2007-08, but did not rank high enough in the overall HOME competition to get funded.

Much of the applicant interest in Deep Targeting has come from projects that are also receiving State Multifamily Housing Program (MHP) funds. Since MHP already requires deep rent targeting, these projects are coming to HOME for additional gap financing to meet MHP’s targets, not necessarily to lower rents further, or to reduce cash flow through the reduction of the private bank loan.

(Note: our first Deep Targeting project completed construction in 2006-07 and is profiled in this CAPER.)

Goal 4: Mitigate impediments to fair housing.

See “Furthering Fair Housing,” above.

HOME Goal 5: Improve HOME’s HUD SNAPShots rankings.

Objective 1: Explore making commitments using future years’ allocations as a way to improve commitment and expenditure rates.

Accomplishment: While we currently accelerate our awards by one year, we have decided for now not to forward-fund by more than one year because of the associated administrative complications, as well as steadily declining annual HOME allocations.

Objective 2: Explore setting up in IDIS earlier as a way to improve commitment rates.

Accomplishment: In 2007-08, HOME began setting up projects earlier in IDIS. See the “Summary of Accomplishments” Section for more information.

Objective 3: Explore ways to fund projects to facilitate expeditious use of HOME funds.

Accomplishment: HOME has implemented several measures to promote expeditious use of HOME funds, including awarding additional rating points to rental projects that have all their non-HOME permanent financing committed at the time of application, and to projects and programs with development teams with good HOME performance records. In 2008-09 HOME is expanding the number of project readiness point factors which promote expeditious use of HOME funds, as well as working more closely with lenders on rehabilitation projects to agree on project terms so that these loans may be

closed faster and funds expended sooner. See the “Summary of Accomplishments” section for more information.

Objective 4: Develop a system to track monthly progress of projects, and provide additional technical assistance to slow-moving projects.

Accomplishment: We are currently completing our monthly project status report form, which will provide us with current information for projects which have not yet completed construction, such as the status of financing commitments, local government approvals, the NEPA environmental assessment, and compliance with other federal overlays, in addition to the previously tracked construction completion and fund expenditure. We will use the information from these monthly reports to provide additional attention to slow-moving projects.

Objective 5: Talk with other large states about ways to improve performance.

Accomplishment: We have decided instead to invest additional funds in training from ICF on areas where we need assistance. In 2008, this training is expected to cover Part V income determination, putting together rental deals, integrating HOME and other federal requirements into the development process, and rental housing compliance issues.

Program Evaluation

HUD Performance Measures

The state HOME Program began collecting HUD Performance Measurement data in May, 2006, five months earlier than required. For all activities, HOME chose “Providing Decent Affordable Housing” as its primary Objective and “Improving Affordability” as its primary Outcome. HOME has been collecting performance measurement data from State Recipients and CHDOs through its set-up and Project Completion Reports.

Table 23
HOME Performance Outcomes, 2007-08

Objective	Providing Decent Affordable Housing	
	Units	HOME Funds
Improving Affordability	XXXX	\$XXXX
# of Total Units Brought Up to Property Standards	XXXX	\$XXXX
# Occupied by Households <= 80% AMI	XXXX	\$XXXX

2006- 07 NOFA Demand

See “Use of Funds,” above.

2007-08 Contract Management Trainings

See “Program Outreach,” above.

Improvements in Program Implementation

See “Summary of Accomplishments,” above.

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**Emergency Shelter
Grants (ESG)**

2007-08 CAPER

ESG

Method of Investment of Available Resources

State ESG funds are distributed by HCD in one- or two-year grants through a competitive application process. Eligible applicants are local governments and nonprofit corporations located in jurisdictions which either do not receive direct HUD ESG grants, or do not participate in urban county agreements with counties that receive direct HUD grants. In general, all rural areas are eligible. In urban areas, eligible jurisdictions are generally smaller cities. For example, in Los Angeles County, the City of Norwalk is eligible, while the City of Los Angeles is not.

Funding criteria are contained in the 2007-08 Notice of Funding Availability (NOFA) which was issued in March, 2007. Pursuant to state regulations approved in 2004, the following point criteria are used to rate applications and make awards:

- Applicant Capability (300 points)
- Need for Funds (100 points)
- Impact and Effectiveness of the Client Housing (250 points)
- Cost Efficiency (100 points)
- State Objectives: (35 points) Serving the “chronically homeless” as defined by HUD

The maximum score is 785 points.

ESG encourages applicants to operate programs with these characteristics:

- Comprehensive and intensive support services aimed at moving clients to permanent housing
- Stable executive, fiscal and program staffing
 - Careful planning of activities and expenses consistent with program requirements
 - Strong local need for ESG funds
 - Relatively low operation and administrative cost per shelter bed
 - Timely reporting, including coordination with HUD’s local continuum of care planning process
 - Innovative program elements, including use of volunteers (e.g., to pick excess local crops to feed homeless clients and/or sell with profits donated to shelter; to mentor homeless children; and to provide holiday and birthday celebrations for homeless clients)
- Documented program outcomes and participation in HMIS
- Accessible program services (transportation; Limited English Speaking assistance)
- Serving the “chronically homeless” as defined by HUD
- Homeless prevention activities.

There is no additional preference for type of programs. As HUD’s Continuum of Care strategy illustrates, local communities should make their own decisions regarding the projects most suited to the needs of the homeless in their communities. Thus, the ESG program will fund:

- Emergency, voucher, transitional, and follow-up programs
- Youth, single adult, family and domestic violence programs
- Small, medium and large shelters
- Hot/cold weather seasonal programs and year-round shelters

- Largely volunteer staffing, with core staff programs
- Rural and urban projects.

State ESG regulations became effective in 2004. They are intended to be consistent with federal ESG rules, and with the regulations of the state-funded Emergency Housing and Assistance Program (EHAP), which also funds homeless shelters and services. The regulations have made the program more accessible and usable for customers, and allow administrative cost savings through the convergence and streamlining of ESG and EHAP procedures and criteria.

In response to the most recent ESG customer survey, more services are being provided on-line through the HCD website. Grantees may access current program information, application and reporting forms and guides. ESG provides technical assistance to applicants via workshops, and publishes questions and answers about the ESG application on the department's website. In 2006-07 ESG staff attended HUD training on Performance Measurement Outcomes and has prepared for the new reporting procedures in IDIS. ESG has given sub-grantees revised Annual Performance Report (APR) forms and instructions to assure that performance measurement outcomes are captured and reported. The ESG Grants Management Manual was updated in 2007-08 and a workshop for current grantees was held in 2007.

Use of Funds

The State ESG Program was allocated \$6,864,887 by HUD in 2007-08. Of this amount, \$6,558,044 was awarded to 43 units of local government and nonprofit organizations for specific projects. ESG will supplement its 2008-09 awards with unused funds from previous ESG allocations.

ESG meets the needs of the homeless, including prevention of homelessness. Only programs which provide both housing and supportive services are funded. All ESG projects are, in effect, supportive housing programs. ESG also funds a variety of services to prevent homelessness, including eviction prevention, security deposits and first month's rent, housing counseling, and legal representation.

Projects assisted in 2007-08 included emergency shelters and transitional housing serving homeless individuals and/or families, battered women, homeless youth, and the chronically homeless. The building types assisted included grantee-owned buildings, leased and rented structures, scattered-site residences, motels, churches, cold/hot weather seasonal shelters, and Day Centers.

The breakdown of 2007-08 awards was slightly different from the previous year. Homeless Prevention services increased from X% to X%, offset by decreases in Essential Services summarized in Table 24.

The ESG Program provided assistance to XXXX persons (XXXX with residential services and XXXX with non-residential services), and XXXX homeless families, predominately through emergency shelters.

Table 24
Distribution of ESG Funds by Activity

ESG Funded Activity	Percentage of Total Awards
Operations	60%
Essential Services (counseling and case management)	32%
Homeless Prevention (eviction prevention, rental and utility assistance)	2%
Shelter Staff Administration (supervisory staff cost for shelter operation)	5%
Grant Administration	1%

Table 25
Geographic Distribution of 2007-08 ESG Awards

<u>Southern California</u> (Los Angeles, San Diego, Imperial and Santa Barbara Counties)	26%
<u>San Francisco Bay Area</u> (Sonoma, Alameda, Contra Costa, Marin, Napa, Santa Cruz and Monterey Counties)	39%
<u>Central California</u> (Tuolumne, Merced, Tulare, Butte, Kings and Amador Counties)	16%
<u>Northern California</u> (Yolo, Yuba, Humboldt and El Dorado Counties)	19%

Table 26
ESG Program
BENEFICIARIES BY ETHNICITY

Race	Ethnicity	
	Non-Hispanic	Hispanic
White	47,413	4,750
Black or African American	6,294	183
Asian	410	6
American Indian or Alaska Native	4,047	2,934
Native Hawaiian or other Pacific Islander	286	13
American Indian/Alaska Native & White	294	61
Asian & White	43	1
Black or African American & White	201	10
American Indian/Alaska Native & African American	44	8
Other/Multi-Racial	2,416	1,468
Total	61,448	9,434

Summary of Accomplishments

ESG Objective: In 2007-08, the state will distribute ESG funds as described in Appendix A of the 2007-08 Annual Plan.

ESG Target:

- Fund local governments and nonprofit organizations that operate emergency shelters and transitional housing to provide safe, sanitary shelter and services to homeless persons.
- Prevent homelessness and enable homeless families and individuals to move toward self-sufficiency by providing a first step in a continuum of care.
- Issue at a minimum, 39 grants during 2007-08 to accomplish the above.

ESG Accomplishment: ESG issued 43 grants.

ESG Objective: Ensure that ESG grantees are in compliance with program requirements.

ESG Target:

- Revise and continue to use the grantee Risk Assessment Tool to measure risk associated with all grantees from the 2006 and 2007 funding cycles, and to determine which grantees require on-site monitoring.
- In 2007-08, monitor the highest risk grantees, and conduct desk audits of the medium risk grantees.
- Develop a tracking system for grantee reporting and notify by mail or e-mail grantees that are not reporting in a timely manner. Grantee reporting will continue to be a factor that could affect future funding.

ESG Accomplishment: ESG has identified high risk grantees and refined the Risk Assessment Tool for applications in future funding rounds. Staff has developed a system to track grantee reporting and notify grantees who are not reporting in a timely manner. In 2007-08, ten grantees were identified as high, medium or low risk grantees. One contract rated 'high risk' and a contract monitoring visit was made.

In 2006-07 ESG developed Desk Audit Guidelines to use starting in 2007-08. Four 'medium risk' grantees were identified for desk audits in 2007-08. The Grants Management Manual was completed in 2006-07 and is annually reviewed and updated. ESG staff conducted a Grants Management Workshop for all ESG grantees with active contracts.

ESG Objective: In 2007-08, meet the federal funding match requirements with state funds.

ESG Target: Grantees are required to provide the matching funds required by HUD. In this funding cycle (2007-08) the state will use funds provided by state programs to meet the federal match requirement of grantees. Funds from the state Emergency Housing and Assistance Program (EHAP), and the EHAP-Capital Development (EHAP-CD) program, are used when possible for match.

ESG Accomplishment: Funds from the state EHAP and EHAP-CD programs were used to meet the federal match requirement in 2007-08.

ESG Objective: Measure program outcomes by the number of persons/families served.

ESG Target:

- In the 2007-08 ESG application, require applicants to estimate program outcomes in the form of the number of persons/families served.
- In subsequent annual reports, compare the estimates to actual number of persons/families served.

ESG Accomplishment: The 2007-08 application requested outcomes by the number of persons/families served. The actual outcomes were gathered in the Annual Performance Report, as requested under the new HUD Performance Measurement Outcomes for ESG. The total numbers are reported in Table 2. The Annual Performance Report (APR) report form and Instructions were revised to comply with the HUD outcome measurement guidelines, and the data is reported in IDIS.

Leveraged Resources

ESG funding leveraged approximately \$XX million of other funding, including other federal, local government, private donations, fees, and other funding, as follows:

Table 27
ESG Sources of Leverage

	Percentage of Total Leverage
Other Federal	20%
Local Government	43%
Private	25%
Fees	3%
Other	9%
Total	100%

Monitoring

ESG developed and implemented a report tracking system to ensure submittal of required reports by grantees. Grantees are held accountable for past program reporting by a rating criterion in the funding application that evaluates past program performance. An early warning letter is sent to all grantees notifying them of reporting requirements and the APR due date.

The 2007-08 ESG application will continue to capture and assess estimated program outcomes. This information will be used to measure the performance of future grantees

by comparing the estimated program outcomes with the actual program outcome reported in the Annual Performance Report. The 2007-08 Monitoring Schedule included a visit to one 'high risk' project. Four 'medium-risk' programs were completed on 2007-08 contracts and designated for desk audits. ESG experienced staff vacancies in 2007-08 that delayed desk audits to June 2008. A desk audit procedure was completed in 2007-08 to make monitoring more effective and timely.

Program Outreach

Two ESG application workshops were held in Northern California during the reporting period, to help applicants understand program requirements and prepare their ESG applications. Grant management training was held in October, 2007 to clarify program requirements for applicants who received ESG awards. ESG has experienced an improvement in reporting and cost reimbursement reports as a result of the Grants Management Training.

Staff participated in workshops and conferences on homeless prevention in the San Francisco Bay Area, Central Valley, and Northern California.

Response to State Objectives

The State Consolidated Plan for 2005-2010 identifies the following four priorities for use of program funds:

1. Meet the housing needs of low-income renter households, including providing homeownership opportunities for first-time homebuyers.
2. Meet the housing needs of low-income homeowner households.
3. Meet the housing and supportive housing and accessibility needs of the homeless and other special needs groups, including prevention of homelessness.
4. Mitigate impediments to fair housing.

The principal objective for ESG was No. 3. Activities in support of this objective are the same as those shown in the five-year strategy for this objective. ESG funds were used to improve housing conditions for homeless persons and to prevent homelessness.

Program Self-Evaluation

ESG continues to meet the Consolidated Plan objective to meet housing and supportive housing needs of the homeless, including prevention of homelessness, by obtaining waivers from HUD to continue the suspension of the 30 percent limit for essential services, and the extension of the homeless prevention obligation and expenditure deadline to coincide with other ESG-eligible activities.

Individual clients benefit from counseling, employment assistance, housing assistance, and other services, and are either transitioned back into mainstream society or referred to programs which meet their special needs. This assistance may help more difficult populations such as drug addicts or mentally ill individuals to return to mainstream society. Others, for various reasons, may require lifetime assistance.

In support of the state's objective of assisting the chronically homeless, ESG continues to award additional points to applicants that can demonstrate assistance to the "chronically homeless" as defined by HUD.

Beyond the direct benefits to homeless individuals and families, California communities as a whole benefit because the state homeless programs, including ESG, continue to promote and provide much needed "operating funds" for service providers in their communities. Federal ESG funds, together with state Emergency Housing and Assistance Program (EHAP) funds, help service providers obtain support from their elected officials, and obtain monetary and in-kind support from local business owners, private foundations, non-profit and faith-based organizations.

**Housing Opportunities
For Persons with AIDS**

2007-08 CAPER

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The following CAPER information is also submitted to the HUD Office of AIDS Housing in Washington DC on HUD form 40110-d, and will be available at: www.cdph.ca.gov/programs/AIDS/. A hard copy can be obtained by contacting Shelley Vinson, Housing Specialist, California Department of Public Health, Office of AIDS. Phone Number (916) 449-5958.

Grantee and Community Overview⁴

California has been an eligible state for HOPWA since inception of the program in 1992. Prior to the initial receipt of HOPWA funds, the Governor designated the Department of Health Services, Office of AIDS (OA), to be the grantee for the state. Effective July 1, 2007, the Department of Health Services became two separate State agencies. The Office of AIDS is now located within the California Department of Public Health (CDPH).

During 2007-08, the Office of AIDS distributed funds by formula to 42 counties located outside HUD-designated HOPWA Eligible Metropolitan Statistical Areas (EMSA). These formula grants are based on the number of AIDS cases reported to the OA HIV/AIDS Case Registry as of December 31 in each jurisdiction. HOPWA funds are provided on an annual basis to non-profit organizations and county fiscal agents who either provide services or allocate the funds to housing and AIDS service organizations. These organizations provide housing and supportive service assistance to HOPWA-eligible clients based on their specific housing and service needs (see Table 39, HOPWA Fiscal Agents and Sponsors).

Program goals were 1) to allocate the funds to meet the most urgent HIV/AIDS housing needs of the clients, and alleviate or prevent homelessness among persons living with HIV/AIDS; and 2) to assist sponsors in establishing linkages with other mainstream resources through technical assistance and other HOPWA resources. In addition, the OA established a goal to meet the national HOPWA objective that 80% of HOPWA clients will maintain housing stability, avoid homelessness, and access care each year through 2011.

During FY 2007-08, all project sponsors provided short term rent, mortgage and/or utility assistance payments to persons living with HIV/AIDS and their families to prevent homelessness. In addition many sponsors established tenant-based rental assistance programs or continued operating transitional or permanent housing facilities to help clients maintain stable housing.

Sponsors also provide supportive services and permanent housing placement assistance such as security deposits, housing information services and hotel/motel vouchers to persons who are homeless or at risk of becoming homeless. The supportive service agencies are required to develop individual housing plans to help households eliminate the barriers that create unstable living situations. At least three quarters of all sponsors use HOPWA funds to provide case management services in conjunction with HOPWA housing activities.

⁴ HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

The 25 fiscal agents and sponsors representing the 42-county area expended funds by activity as follows:

- XX percent - short-term rental, mortgage and utility assistance
- XX percent - supportive services
- XX percent - facility based housing assistance
- XX percent - tenant based rental assistance programs
- XX percent - housing information services and resource identification.

OA is a partner with 16 county health departments, one housing authority, and eight community-based nonprofit organizations to carry out these activities.

OA provides program oversight through progress reports, review of expenditures, on-site monitoring, and ongoing technical assistance.

Annual Performance Under the Action Plan

Outputs Reported

The State Consolidated Plan for 2005-2010 identifies four over-arching goals for use of the program funds:

1. Meet the housing needs of low-income renter households, including providing homeownership opportunities for first-time homebuyers.
2. Meet the housing needs of low-income homeowner households.
3. Meet the housing, supportive housing and accessibility needs of the homeless and other special needs groups, including the prevention of homelessness.
4. Mitigate impediments to fair housing.

The following are program accomplishments related to these over-all objectives as well as the specific goals of the HOPWA program. See Table 28 – Planned Goals and Actual Outputs, 2007-08 for a comparison of actual accomplishments to proposed goals.

Sponsors are required to periodically assess the housing and supportive service needs of their clients and base their housing activities on meeting the most urgent needs of clients and their families. The overall goal was to assist approximately 2,000 households during the program year. The following is a summary of the housing activities provided to the 42-county area during the program year:

- All sponsors use HOPWA funds to provide short-term emergency rent, mortgage and utility assistance (STRMU) constituting XX percent of the HOPWA allocation to prevent homelessness.
- XX sponsors operate tenant based rental assistance programs to assist clients in maintaining stable housing.
- Approximately half the sponsors offer some type of permanent housing placement assistance, including housing information and referral services, security deposit, and hotel/motel vouchers, while assisting clients in locating housing.

- xx sponsors support existing facility-based housing (including project based rental assistance or master leasing).
- **XX** sponsors provide case management or other supportive services using HOPWA funds.

In past years, approximately six stewardship units of housing have been created through acquisition or rehabilitation with HOPWA Funds. No new stewardship units were created during FY 2007-08. See table 34 for those counties with Stewardship units.

The proposed accomplishments identified in the 2006-2007 Annual Action Plan for each activity were based on an overall estimate of proposed accomplishments in the 42-county area based on prior year actuals. During 2007-08 Sponsors reported individual activity goals by county which did not precisely correspond with the statewide goals estimated by the OA in the Action Plan. **The sum of the sponsor-provided activity goals is reflected on Table xx** rather than the overall goals identified in the 2007-08 Action Plan.

To increase opportunities for affordable stable housing, counties receiving funds in excess of \$100,000 and reporting more than 100 AIDS cases to the OA HIV/AIDS Case Registry were strongly encouraged to use at least 15 percent of their funding allocation for longer-term housing assistance activities such as tenant based rental assistance, project based rental assistance or housing development or supportive services associated with the development of permanent housing. In addition to this recommendation, those qualifying eleven counties had also received supplemental funds in FY 2005-06 to pursue facility-based housing, tenant based housing assistance or other housing assistance opportunities.

The eleven counties meeting these criteria made every effort to establish new housing assistance programs or housing units or ensure that existing housing facilities or rental assistance programs remained available for clients living with HIV/AIDS. Kern County, John XXIII AIDS Ministry in Monterey County, and Sonoma County have been successful in establishing small tenant based rental assistance programs. San Luis Obispo, San Joaquin, Santa Cruz, and Santa Barbara Counties continue to provide operating subsidies to existing housing facilities, but were unsuccessful in creating new housing assistance programs or housing units. John XXIII AIDS Ministry and Stanislaus Community Assistance Project continue to provide operating subsidies for their transitional housing projects with HOPWA funds and continuously pursue additional housing for PLWA/H with other funding sources. Fresno County is working with a community based organization in Fresno to master lease transitional housing units. Solano and Ventura Counties continue their efforts to establish project based or tenant based rental assistance. The fiscal agents report that housing authorities or housing developers were unable or unwilling to enter into contracts for these activities due to the small amount of funding available (including administrative fees) to implement the programs and the short term of the assistance contracts.

OA acts as partner with 16 county health departments, one housing authority, and eight community-based nonprofit organizations to carry out the activities described above. These fiscal agents may carry out the HOPWA activities directly or subcontract with service providers or housing agencies to perform the work. The sponsors work

collaboratively with the Ryan White HIV/AIDS Treatment Modernization Act of 2006 planning and advisory groups to assess the housing needs and prioritize the use of HOPWA funds in their communities. The funds are distributed to the 42 counties located outside the HOPWA Eligible Metropolitan Statistical Areas (EMSA) through a non-competitive formula allocation process. A total of \$3,185,772 was committed by formula to project sponsors for 2007-08. In addition, \$403,243 in committed multi-year contracts was carried forward from prior year for disbursement in 2007-08. (Refer to the Appendix B1 of the CAPER for geographic distribution).

Outcome Performance Measures⁵

Housing Stability Outcomes: Table 31 indicates that XX percent of households served were living in stable housing upon exit or at the end of the program year; XX percent of the households were in a temporary living situation, and six percent of the households were in unstable living conditions. As a comparison, in 2006-2007, 22 percent of households served were living in stable housing upon exit or at the end of the program and 72 percent of the households were in a temporary living situation which includes housing stability with continued HOPWA STRMU assistance.

Access to Care and Support: Table xx measures households' access to care and support through HOPWA resources during the program year.

Coordination

Sponsors reported \$XXXX in leveraged funds for housing assistance activities and \$XXXX in leveraged funds for supportive service or other non-housing assistance resources (refer to Table 29).

The OA administers Ryan White Program (known as the Ryan White HIV/AIDS Treatment Modernization Act of 2006) funding that includes the 42 counties in which HOPWA operates. The Care Services Program and HOPWA Program funds are integrated to allow a seamless approach to the delivery of housing and care services. These services, when used in conjunction with HOPWA-funded housing, provide the level of assistance needed to prevent homelessness and address the emergency needs of these clients. OA allocated approximately \$XX million to the 42 HOPWA-eligible, non-EMSA counties for a variety of primary health care and supportive services through the Ryan White Program, as well as state and other funds.

The HOPWA program is administered by county fiscal agents and nonprofit organizations that must include input from community and consumers in their HIV/AIDS planning process. These planning bodies establish needs and priorities and provide OA with ongoing input regarding the use and administration of HOPWA funds. These Sponsors are involved with the Ryan White Program service delivery planning process that requires a plan to reach hard-to-serve or underserved populations.

⁵ HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

In addition, OA receives advisory recommendations from the California HIV/AIDS Planning Group, comprised of public health officials, AIDS service organizations, State representatives, consumers, and other interested parties.

The majority of sponsors participate in their local Continuum of Care Planning Group to ensure that the HIV/AIDS population is represented in the planning process for funding opportunities.

HOPWA continues to collaborate with the Residential AIDS Licensed Facilities Program (RALF) within OA to ensure all agencies that operate residential facilities for PLWH/A receive information regarding funding resources and any regulatory or legislative changes that may affect or increase funding.

By strengthening collaboration between HIV service providers, community based organizations, faith-based organizations and drug and alcohol recovery facilities, and correctional facilities. HOPWA has provided a wider range of referral services to clients. Collaboration has also helped decrease client fraud and misuse of services.

Technical Assistance

OA was notified that HUD is in the process of developing a HOPWA resource guide and oversight handbook, and a draft was made available for review. This handbook will prove to be a useful tool for improving grant management once it is published.

Grant Management Oversight

OA administers the HOPWA Program for 42 counties in California. Contractors submit applications annually which include an implementation plan including goals and budget detail of activities. All project sponsors submit invoices to OA for reimbursement of expenses on a monthly or quarterly basis. HOPWA is responsible for the programmatic and fiscal administration of the Integrated Disbursement and Information System (IDIS). Approximately XX percent of funds awarded were spent by year-end. As part of the risk analysis for monitoring, agencies with patterns of slow spending or unspent funds are rated higher on the list for monitoring.

Staff turnover at OA has delayed sponsor monitoring; however, staff has completed 11 of its contractors and will continue to monitor until all sites have been reviewed.

Barriers and Trends Overview (Self Evaluation)

Barriers

The most frequently discussed barrier to the HOPWA program is the lack of funding due, in part, to the current formula-driven process. The formula used to allocate HOPWA funds to the 42 counties is based on the number of reported AIDS cases in these counties. When the formula is run, the approximate annual funding for each person has ranged from \$370 - \$455. Many recipients are HIV-positive; they receive

case management services and medical care to help delay the progression to an AIDS diagnosis. Until HIV reporting data become available, it is not possible to determine if the distribution of funds is equitable.

Counties reported the need for more affordable housing as a consistent barrier. California has several of the most expensive housing markets in the United States. Persons with HIV/AIDS are forced to compete with other individuals with disabilities and senior citizens for stable affordable housing. Clients at greatest risk of homelessness often have poor credit histories and/or mental health or substance abuse issues that mark them as undesirable to prospective landlords. Clients that qualify for Section 8 face landlords' reluctance to participate in Section 8. Section 8 waiting lists are typically closed for years at a time. Rents often exceed Fair Market Rents, making clients ineligible for Tenant Based Rental Assistance. Agencies report that they work diligently with households that can qualify to obtain rental subsidies or move to more affordable housing. The STRMU program continues to be a vital resource for those clients that are ineligible for mainstream housing assistance due to the multitude of barriers mentioned in this report. Approval of a shallow-rent subsidy for HOPWA would be beneficial in areas identified as high-cost of living areas within California.

Agencies reported an increase in requests for mortgage assistance which is consistent with the high foreclosure rate in California.

The rate of infection and disability in the undocumented community is rising. Serving the undocumented population continues to be a challenge. Ineligible for other governmental assistance, they apply for HOPWA services regularly. Counties do not have sufficient funds to assist these clients at the level needed to ensure access to housing and health care. Counties have encountered families with both heads of household infected and unable to work. Undocumented clients have been denied services when their 21-week time limits are reached.

Mental health problems and substance abuse are predominant among the target population. Agencies need to collaborate to serve the many clients with dual or multiple diagnoses. This presents even greater challenges in finding clients housing. Many facilities are ill-equipped to serve this population. This is especially true for HIV/AIDS clients with mental health issues. Placing clients in housing where substance abuse continues puts those in recovery at risk. This contributes to the increasing difficulty in locating housing for multi-diagnosed clients.

California has the third largest penal system in the world, and more persons are leaving prison with an HIV/AIDS diagnosis. Collaborative efforts with other agencies serving this population are essential to provide supportive housing and reduce recidivism.

Due to the lack of affordable housing, clients are moving to rural areas where fewer services are available. Clients face increased difficulty in obtaining specialized HIV medical care, social support networks, and access to transportation.

To develop housing affordable to extremely low-income persons with special needs, partnerships among experienced housing developers, HIV/AIDS services providers and other mainstream service agencies must be formed. Many of the 42 counties, especially remote rural counties, have been unable to create these partnerships due to

lack of capacity, resources, and geographical and political barriers.

Capacity barriers are being addressed by providing technical assistance by OA staff to develop other resources. Education regarding other housing programs is made available, including periodic funding alerts regarding other HUD and state funding opportunities. Sponsors are encouraged to become involved in the Continuum of Care planning process for their jurisdiction. OA continues to refer interested agencies to Building Changes, the HOPWA technical assistance provider, for technical assistance in the development of affordable HIV/AIDS housing.

Many HIV/AIDS service agencies experience decreased donations and are unable to count on these funds to operate existing HIV/AIDS facilities or their organizations. Agencies have been forced to de-license or close facilities due to the high operating costs of this type of housing.

Due to the lack of resources and capacity in most rural counties under the jurisdiction of the state HOPWA grantee, accurate and timely reporting is difficult to obtain. OA is developing more streamlined methods of obtaining necessary data. The AIDS Regional Information and Evaluation System (ARIES), a web-based data system, is now in operation, and we anticipate that HOPWA screens will be added by fall 2008. This will allow sponsors to track client data to create HOPWA reports.

The due date of the CAPER report to HUD has always posed an administrative problem. All new contracts now include a 45-day final invoice submittal deadline rather than 90 days. However, the necessary data from the counties is not received by OA until July 31 which leaves little time to evaluate the information, input into IDIS, and aggregate information for the CAPER. OA anticipates that ARIES will assist in streamlining the data collection process to ensure the most accurate and timely reporting. Once IDIS has been re-engineered, OA anticipates more streamlined reporting as well.

Trends

The recent HIV/AIDS Bureau (HAB) policy defining short term housing under the Ryan White Program may impact the availability of short term housing assistance from this funding source. In addition, the impending 2009 sunset of the Ryan White Modernization Act of 2006 may affect how the service needs of clients with HIV/AIDS are addressed.

Unmet Housing Needs

Current statewide unmet housing needs data that include the 42-county area served under the State HOPWA grant is currently unavailable. In the next fiscal year, OA will require that all HOPWA service providers maintain waiting lists for all housing assistance programs. For emergency housing assistance activities, the waiting list will include persons that were eligible but could not be assisted due to insufficient funds or other reasons. In addition, all agencies will be asked to provide any local data that may be available as part of their HOPWA report to OA.

DRAFT

Table 28 – Planned Goals and Actual Outputs, 2007-08⁶

	HOPWA Performance Planned Goal and Actual	Output Households				Funding	
		HOPWA Assistance		Non-HOPWA		e. HOPWA Budget	f. HOPWA Actual
		a.	b.	c.	d.		
		Goal	Actual	Goal	Actual		
	Housing Subsidy Assistance	Output Households					
1.	Tenant-Based Rental Assistance	44				\$XXXX	
2a.	Households in permanent housing facilities that receive operating subsidies/leased units	18				\$XXXX	
2b.	Households in transitional/short-term housing facilities that receive operating subsidies/leased units	85				\$XXXX	
3a.	Households in permanent housing facilities developed with capital funds and placed in service during the program year	0				\$XXXX	
3b.	Households in transitional/short-term housing facilities developed with capital funds and placed in service during the program year	0				\$XXXX	
4.	Short-Term Rent, Mortgage and Utility Assistance	1,864				\$XXXX	
5.	Adjustments for duplication (subtract)	0					
6.	Total Housing Subsidy Assistance	2,011				\$XXXX	
	Housing Development (Construction and Stewardship of facility based housing)	Output Units					
7.	Facility-based units being developed with capital funding but not opened (show units of housing planned)	0					
8.	Stewardship Units subject to 3 or 10 year use agreements	6					
9.	Total Housing Developed	6					
	Supportive Services	Output Households					

⁶ HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

10 a.	Supportive Services provided by project sponsors also delivering <u>HOPWA</u> housing assistance	1,408					\$XXXX	
b.	Supportive Services provided by project sponsors serving households who have other housing arrangements	20					\$XXXX	
11.	Adjustment for duplication (subtract)							
12.	Total Supportive Services	1,428					\$XXXX	
Housing Placement Assistance Activities								
13.	Housing Information Services	777					\$XXXX	
14.	Permanent Housing Placement Services	493					\$XXXX	
15.	Adjustment for duplication							
16.	Total Housing Placement Assistance	1,270					\$XXXX	
Grant Administration and Other Activities								
17.	Resource Identification to establish, coordinate and develop housing assistance resources						\$XXXX	
18.	Technical Assistance (if approved in grant agreement)						\$XXXX	
19.	Grantee Administration (maximum 3% of total HOPWA grant)						\$XXXX	
20.	Project Sponsor Administration (maximum 7% of portion of HOPWA grant awarded)						\$XXXX	
	Total Expenditures for program year (Sum of rows 6, 9, 12, 16, and 20)						\$XXXX	

Table 29 – Sources of Leveraging⁷

[1] Sources of Leveraging		Total Amount of Leveraged Dollars (for this operating year)	
		[2] Housing Assistance	[3] Supportive Services and other non-direct housing costs
1.	Program Income	= XX	= XX
2.	Federal government (please specify):	= XX	= XX
	XX	= XX	= XX
	XX	= XX	= XX
	XX	= XX	= XX
3.	State government (please specify)	= XX	= XX
	XX	= XX	= XX
	XX	= XX	= XX
	XX	= XX	= XX
4.	Local government (please specify)	= XX	= XX
	XX	= XX	= XX
	XX	= XX	= XX
	XX	= XX	= XX
5.	Foundations and other private cash resources (please specify)	= XX	= XX
	XX	= XX	= XX
	XX	= XX	= XX
	XX	= XX	= XX
6.	In-kind Resources	= XX	= XX
7.	Resident rent payments in Rental, Facilities, and Leased Units	= XX	= XX
8.	Grantee/project sponsor (Agency) cash	= XX	= XX
9.	TOTAL (Sum of 1-7)	= XX	= XX

⁷ HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

Table 30
HOPWA Supportive Services⁸

Supportive Services		Number of <u>Households</u> Receiving HOPWA	Amount of HOPWA Funds Expended
1.	Adult day care and personal assistance	XX	XX
2.	Alcohol and drug abuse services	XX	XX
3.	Case management/client advocacy/ access to benefits & services	XX	XX
4.	Child care and other child services	XX	XX
5.	Education	XX	XX
6.	Employment assistance and training	XX	XX
7.	Health/medical/intensive care services, if approved Note: Client records must conform with 24 CFR §574.310	XX	XX
8.	Legal services	XX	XX
9.	Life skills management (outside of case management)	XX	XX
10.	Meals/nutritional services	XX	XX
11.	Mental health services	XX	XX
12.	Outreach	XX	XX
13.	Transportation	XX	XX
14.	Other Activity :	XX	XX
15.	Adjustment for Duplication (subtract)	XX	
16.	TOTAL Households receiving Supportive Services (unduplicated)	XX	XX

⁸ HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

Table 31⁹
HOPWA Housing Stability Outcomes, 2007-08

Assessment of Households in Permanent and Transitional Housing

[A] Permanent Housing Assistance	[1] Total Number of Households Receiving Housing Assistance	[2] Assessment: Number of Households Continuing with this Housing (per plan or expectation for next year)		[3] Assessment: Number of Exited Households and Housing Status	
Tenant-Based Rental Assistance	= XX	= XX		1 Emergency Shelter/Streets	= XX
				2 Temporary Housing	= XX
				3 Private Housing	= XX
				4 Other HOPWA	= XX
				5 Other Subsidy	= XX
				6 Institution	= XX
				7 Jail/Prison	= XX
				8 Disconnected/Unknown	= XX
				9 Death	= XX
Permanent Supportive Housing Facilities/Units	= XX	= XX		1 Emergency Shelter/Streets	= XX
				2 Temporary Housing	= XX
				3 Private Housing	= XX
				4 Other HOPWA	= XX
				5 Other Subsidy	= XX
				6 Institution	= XX
				7 Jail/Prison	= XX
				8 Disconnected/Unknown	= XX
				9 Death	= XX
[B] Transitional Housing Assistance	[1] Total Number of Households Receiving Housing Assistance	[2] Of the Total Number of Households Receiving Housing Assistance this Operating Year		[3] Assessment: Number of Exited Households and Housing Status	
Transitional/Short-Term Supportive Facilities/Units	= XX	Total number of households that will continue in residences:	= XX	1 Emergency Shelter/Streets	= XX
		2 Temporary Housing		= XX	
		3 Private Housing		= XX	
		4 Other HOPWA		= XX	
		Total number of households whose tenure exceeded 24 months:	= XX	5 Other Subsidy	= XX
				6 Institution	= XX
				7 Jail/Prison	= XX
				8 Disconnected/unknown	= XX
				9 Death	= XX

⁹ HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

Assessment of Households receiving STRMU Assistance

[1] STRMU Housing Assistance	[2] Assessment of Housing Status		[3] HOPWA Client Outcomes
=	Maintain Private Housing without subsidy (e.g. Assistance provided/completed and client is stable, not likely to seek additional support)	= XX	<i>Stable/Permanent Housing (PH)</i>
	Other Private Housing without subsidy	= XX	
	Other HOPWA support (PH)	= XX	
	Other housing subsidy (PH)	= XX	
	Institution (e.g. residential and long-term care)	= XX	
	Likely to maintain current housing arrangements, with additional STRMU assistance	= XX	<i>Temporarily Stable, with Reduced Risk of Homelessness</i>
	Transitional Facilities/Short-term (e.g. temporary or transitional arrangement)	= XX	
	Temporary/non-permanent Housing arrangement (e.g. gave up lease, and moved in with family or friends but expects to live there less than 90 days)	= XX	
	Emergency Shelter/street	= XX	<i>Unstable Arrangements</i>
	Jail/Prison	= XX	
	Disconnected	= XX	
	Death	= XX	<i>Life Event</i>
1a. Total number of households that received STRMU assistance in the prior operating year that also received STRMU assistance in the current operating year.			= XX
1b. Total number of those households that received STRMU assistance in the two (2 years ago) prior operating years that also received STRMU assistance in the current operating year.			= XX

Table 32¹⁰
HOPWA Outcomes on Access to Care and Support

Categories of Services Accessed	Households Receiving Housing Assistance within the Operating Year	Outcome Indicator
1. Has a housing plan for maintaining or establishing stable on-going housing.	XX	<i>Support for Stable Housing</i>
2. Has contact with case manager/benefits counselor consistent with the schedule specified in client's individual service plan.	XX	<i>Access to Support</i>
3. Had contact with a primary health care provider consistent with the schedule specified in client's individual service plan,	XX	<i>Access to Health Care</i>
4. Has accessed and can maintain medical insurance/assistance.	XX	<i>Access to Health Care</i>
5. Successfully accessed or maintained qualification for sources of income.	XX	<i>Sources of Income</i>

¹⁰ HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

Table 33¹¹
HOPWA Outcomes on Access to Care and Support (Income)

Number of Households Obtaining Employment (with HOPWA assistance)

Categories of Services Accessed	Number of Households that Obtained Employment	Outcome Indicator
Total number of households that obtained an income-producing job	XX	<i>Sources of Income</i>

Table 34¹²
Geographic Distribution of Persons Assisted by HOPWA, 2007-08

County	Renters Clients	Owners Clients	Homeless Clients	Total Renters, Owners, & Homeless	Stewardship Housing Units or Housing Assisted with HOPWA Facility Operating Subsidy
METROPOLITAN COUNTIES:					
Ventura	XX	XX	XX	XX	
Imperial	XX	XX	XX	XX	
Regional Subtotal	XX	XX	XX	XX	
	XX	XX	XX	XX	
Sonoma	XX	XX	XX	XX	X
Solano	XX	XX	XX	XX	
Napa	XX	XX	XX	XX	
Regional Subtotal	XX	XX	XX	XX	X
	XX	XX	XX	XX	
Fresno	XX	XX	XX	XX	
Kern	XX	XX	XX	XX	
San Joaquin	XX	XX	XX	XX	X
Stanislaus	XX	XX	XX	XX	X
Tulare	XX	XX	XX	XX	
Madera	XX	XX	XX	XX	
Kings	XX	XX	XX	XX	
Merced	XX	XX	XX	XX	
Regional Subtotal	XX	XX	XX	XX	X
	XX	XX	XX	XX	
Monterey	XX	XX	XX	XX	X
Santa Cruz	XX	XX	XX	XX	X
Santa Barbara	XX	XX	XX	XX	X
San Luis Obispo	XX	XX	XX	XX	X

¹¹ HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

¹² HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

Regional Subtotal	XX	XX	XX	XX	X
	XX	XX	XX	XX	
Butte	XX	XX	XX	XX	
Colusa	XX	XX	XX	XX	
Glenn	XX	XX	XX	XX	
Yuba	XX	XX	XX	XX	
Shasta	XX	XX	XX	XX	
Sutter	XX	XX	XX	XX	
Tehama	XX	XX	XX	XX	
Regional Subtotal	XX	XX	XX	XX	X
	XX	XX	XX	XX	
METROPOLITAN COUNTIES TOTAL	XX	XX	XX	XX	X

* Housing facilities consist of group homes, apartment units and condominium units, and include transitional as well as permanent housing units.

Table 34 (continued)¹³
Geographic Distribution of Persons Assisted by HOPWA, 2007-08

County	Renters Clients	Owners Clients	Homeless Clients	*Total Renters, Owners, & Homeless	Stewardship Housing Units or Housing Units Assisted with HOPWA Operating funds
NON-METROPOLITAN:					
Del Norte	XX	XX	XX	XX	
Humboldt	XX	XX	XX	XX	
Mendocino	XX	XX	XX	XX	
Lake	XX	XX	XX	XX	
Trinity	XX	XX	XX	XX	
Lassen	XX	XX	XX	XX	
Modoc	XX	XX	XX	XX	
Nevada	XX	XX	XX	XX	
Plumas	XX	XX	XX	XX	
Sierra	XX	XX	XX	XX	
Siskiyou	XX	XX	XX	XX	
Regional Subtotal	XX	XX	XX	XX	
	XX	XX	XX	XX	
Alpine	XX	XX	XX	XX	
Amador	XX	XX	XX	XX	
Calaveras	XX	XX	XX	XX	
Inyo	XX	XX	XX	XX	
Mariposa	XX	XX	XX	XX	
Mono	XX	XX	XX	XX	
Tuolumne	XX	XX	XX	XX	
Regional Subtotal	XX	XX	XX	XX	
	XX	XX	XX	XX	
NON-METROPOLITAN TOTAL:	XX	XX	XX	XX	
	XX	XX	XX	XX	
Total State	XX	XX	XX	XX	XX

* Housing facilities consist of group homes, apartment units and condominium units, and include transitional as well as permanent housing units.

Table 35
Beneficiaries of HOPWA Housing Assistance

Beneficiaries	Persons Assisted
Clients	XX
Family members	XX
TOTAL:	XX

¹³ HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

Table 36¹⁴

Table 37
Age and Gender of HOPWA Beneficiaries, 2007-08

Persons	Male	Female
17 years and under	XX	XX
18 to 30 years	XX	XX
31 to 50 years	XX	XX
51 years and over	XX	XX
unknown	XX	XX
TOTAL	XX	XX

¹⁴ HOPWA demographic, outputs, and outcomes data is unavailable for CAPER draft. All data will be included in the Final CAPER.

Table 38
Prior Living Situation at HOPWA Program Entry, 2007-08

Category		Total HOPWA Eligible Individuals Served with Housing Assistance
1.	Continuing to receive HOPWA support from the prior operating year	XX
New Individuals who received HOPWA Housing Assistance support during Operating Year		
2.	Place not meant for human habitation (such as a vehicle, abandoned building, bus/train/subway station/airport, or outside)	XX
3.	Emergency shelter (including hotel, motel, or campground paid for with emergency shelter voucher)	XX
4.	Transitional housing for homeless persons	XXX
5.	Permanent housing for formerly homeless persons (such as Shelter Plus Care, SHP, or SRO Mod Rehab)	XX
6.	Psychiatric hospital or other psychiatric facility	XX
7.	Substance abuse treatment facility or detox center	XX
8.	Hospital (non-psychiatric facility)	XX
9.	Foster care home or foster care group home	XX
10.	Jail, prison or juvenile detention facility	XX
11.	Rented room, apartment, or house	XX
12.	House you own	XX
13.	Staying or living in someone else's (family and friends) room, apartment, or house	XX
14.	Hotel or motel paid for without emergency shelter voucher	XX
15.	Other	XX
16.	Don't Know or Refused	XX
17.	TOTAL (sum of items 1-16)	XX

Table 39
HOPWA Fiscal Agents and Sponsors, 2007-08

FISCAL AGENT/SPONSORS	Counties Served
Community Housing Opportunities Corporation, (NP)	Solano*
Caring Choices, Inc.**(NP)	Butte, Colusa, Glenn, Shasta, Sutter, Tehama, Trinity, and Yuba Counties
Stanislaus Community Assistance Project (NP)	Stanislaus*
Fresno County Human Services System	Fresno*
Humboldt County Dept. of Public Health	Humboldt and Del Norte

FISCAL AGENT/SPONSORS	Counties Served
<ul style="list-style-type: none"> • Northcoast AIDS Project • Redwoods Rural Health Center • St. Josephs Home Care 	
Imperial Valley Housing Authority	Imperial
John XXIII AIDS Ministry, (NP)*	Monterey*
Kern County Department of Public Health <ul style="list-style-type: none"> • Clinica Sierra Vista – Kern Lifeline Project (NP) • Kern Co. Early Intervention Program/Case Management Program (EIP/CMP) • Kern County Housing Authority 	Kern*
Kings County Public Health	Kings
Community Care Management Corporation, NP	Lake
Madera County Public Health	Madera and Mariposa
Mendocino County AIDS Volunteer Network, NP	Mendocino
Merced County Community Action Agency (NP)	Merced
Napa County Dept of Health <ul style="list-style-type: none"> • HIV Network Queen of the Valley Hospital (NP) 	Napa
Nevada County Dept of Public Health	Nevada
Plumas County Public Health Agency <ul style="list-style-type: none"> • Great Northern Corporation (NP) 	Plumas, Sierra, Lassen, Siskiyou, Modoc
San Joaquin County Public Health <ul style="list-style-type: none"> • Stockton Shelter For the Homeless (NP) 	San Joaquin*
San Luis Obispo County Dept. of Public Health <ul style="list-style-type: none"> • San Luis Obispo County AIDS Support Network (NP) 	San Luis Obispo*
Santa Barbara County Dept. of Public Health <ul style="list-style-type: none"> • AIDS Housing Santa Barbara (NP) • Pacific Pride Foundation (NP) • Casa Esperanza (NP) 	Santa Barbara*
Santa Cruz Health Services Agency <ul style="list-style-type: none"> • Santa Cruz AIDS Project (NP) 	Santa Cruz*
Sierra Health Resources (NP)	Amador, Calaveras, Tuolumne, Alpine, Inyo and Mono
Solano County Dept. of Public Health <ul style="list-style-type: none"> • Plannned Parenthood – Shasta-Diablo (NP) 	Solano*

FISCAL AGENT/SPONSORS	Counties Served
Sonoma County Dept. of Health Services <ul style="list-style-type: none"> • Face to Face/Sonoma AIDS Support Network (NP) • Food for Thought (NP) 	Sonoma*
Tulare County Dept. of Public Health <ul style="list-style-type: none"> • Family Services of Tulare County (NP) 	Tulare
Ventura County Dept. of Public Health <ul style="list-style-type: none"> • AIDS Project Ventura County (NP) 	Ventura*

*Counties reporting 100 or more AIDS Cases to the OA HIV/AIDS Case Registry in 2007-08 and prior years

NP = Nonprofit Organization

**Department of Community
Services and Development
Lead Hazard Control Program**

2007-08 CAPER

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Use of Funds

On March 31, 2008, the Department of Community Services and Development's (CSD) Round XI Lead Hazard Control Program grant ended. CSD was awarded this grant on October 1, 2004, for \$3 million, covering October 1, 2004, through March 31, 2008. (This CAPER's performance data will focus on Round XI.)

In November 2006, the CSD was awarded a HUD Lead Hazard Control Program grant under Round XIII in the amount of \$3 million, covering the period November 1, 2006, through October 31, 2009.

The Round XIII grant gives CSD additional resources to continue and expand its Lead-Based Paint Hazard Control (LBPHC) Program to an additional 305 pre-1978 low-income housing units in seven counties. The program's objectives include targeting low-income households with at least one child under age six living in the residence, lead hazard awareness education, maximizing resources by strengthening collaboration with local housing and health departments, increasing lead-safe rental opportunities for low-income households, expanding the certified abatement workforce, and developing lasting lead-safe training resources.

CSD will implement the Round XIII program in partnership with four community-based organizations (CBOs), contracted to carry out lead-hazard control services in six counties (Target Counties). All CBOs have existing weatherization contracts with CSD that have enabled them to use lead hazard control funds in combination with federal Low-Income Home Energy Assistance Program (LIHEAP) funds and the Department of Energy (DOE) program funds in a majority of the projects. The CBOs leverage funding from various sources to combine the benefits of LHC with weatherization and minor home repair services. CBOs are required to provide twenty percent (20%) for Round XI and twenty-four percent (24%) for Round XIII matching fund contributions. Half the matching funds must come from nonfederal sources and the other half from federal sources. The CBOs use client data from LIHEAP/DOE weatherization programs to identify potential low-income households for enrollment in the Program.

On July 7, 2008, CSD submitted its LBPHC HUD NOFA application for Round XV funding. The application was for the maximum allowable award of \$3 million. It is anticipated the start date for this funding will begin November 1, 2008 and run through October 31, 2010 for a 36-month period. With the loss of one of our CBOs last year (Economic Social Opportunities (ESO)), CSD will further strengthen, add, and contract with Fresno County Economic Opportunities Commission to provide LHCP services in Fresno County.

Table 40
FUNDING DISTRIBUTION, ROUND XI

Community-Based Organization	Counties Served	Contract Amount	Year-to Date Percentage Used
Community Resources Project	Sacramento, Sutter & Yuba	\$435,977	100%
Economic & Social Opportunities	Santa Clara	\$35,779	100%
Maravilla Foundation	Los Angeles	\$808,735	100%
Redwood Community Action Agency	Humboldt	\$405,977	100%
San Bernardino County Community Services	San Bernardino	817,502	100%
Total		\$2,503,970	100%

Though we ESO last year, CSD was still able to exceed its benchmark goals by 19 and completed a total of 324 lead-safe housing units for the benefit of California's low-income families and children. Agencies have shifted their priorities to Round XIII activities and have exceeded their goals in several key benchmark categories. CSD is confident contract goals will be met or exceeded by the October 31, 2009 contract termination date.

Table 41
GOALS AND OUTCOMES, NUMBERS OF UNITS, ROUND XI

Community-Based Organization	Counties Served	Project Unit Goals	Units Completed as of 3-30-08	Year-to Date Percentage Completed
Community Resources Project	Sacramento, Sutter & Yuba	50	50	100%
Economic & Social Opportunities	Santa Clara	4	4	100%
Maravilla Foundation	Los Angeles	100	105	105%
Redwood Community Action Agency	Humboldt	50	62	124%
San Bernardino Co. Community Services	San Bernardino	101	103	102%
Total		305	324	106%

Round XI Lead Hazard Control Program Goals

- **Lead-Safe Housing for Low-Income Families and Their Children**

The program's primary objectives are to provide lead hazard control services to at least 610 pre-1978 housing units occupied by low-income households, targeting households with at least one child under the age of six residing in the residence, lead hazard awareness education, maximizing resources by strengthening collaboration with local housing and health departments, increasing lead-safe rental opportunities for low-income households, expanding certified workforce in the local communities, and developing lasting lead-safe training resources.

- **Building Capacity of Community Action Agencies**

With the lost of one our CBOs last year (Economic Social Opportunities (ESO), CSD will further strengthen, add, and contract with Fresno County Economic Opportunities Commission under Round XV to provide LHCP services in Fresno County. CBOs are to participate in or conduct two community events for the general public to disseminate information concerning lead hazards. CBOs will educate the public on lead-based paint awareness and prevention, and assist local housing departments with

inspections/risk assessments for elevated blood lead level (EBL) referrals. Several CBOs participate in national, regional and local conferences to disseminate information on the importance of lead-safe work practices

- Lead Safe Weatherization Video

A lead-safe weatherization training video was produced and we are distributing it to California's weatherization providers as a training resource on lead-safe work practices. The video teaches new weatherization crew members and provides a refresher course for existing workers. It discusses lead awareness, lead-safe practices during weatherization, and describes necessary tools and equipment for lead-safe working.

- Tracking of Lead-Safe Housing

CSD continues to maintain the Lead-Safe Rental Registry on its website (www.csd.ca.gov). The directory was developed by CSD staff and provides the county and address of units made lead safe under Round XI and XIII grants. This Directory is accessible to the public and community-based agencies, to increase lead hazard awareness, and demand for and availability of lead-safe housing in the target counties.

- Leveraged Resources

CBOs are required to provide twenty percent (20%) for Round XI and twenty-four percent (24%) for Round XIII matching fund contributions. Half the matching funds must come from nonfederal sources such as Petroleum Violation Escrow Account (PVEA) and owner contributions, and the other half from federal sources such as LIHEAP and DOE funds. CBOs use client data from the LIHEAP/DOE weatherization programs to identify potential low-income households for enrollment into the Program. Under Round XI, CBOs contributed \$527,992 in matching funds. Along with Cads \$56,950 matching contribution, the required \$584,942 HUD match amount was achieved. CBO continue to submit required match amounts under Round XIII and are confident they will meet or exceed their match funding contribution of \$605,030.

Table 42
GOALS AND OUTCOMES, LEVERAGED RESOURCES, ROUND XI

Community-Based Organization and CSD	Goals	Match Received As of 3-30-08	Percentage of Goal Amount
Community Resources Project	\$69,044	\$69,440	100%
Economic & Social Opportunities	\$7,156	\$3,660	50%
Maravilla Foundation	\$114,955	\$180,693	157%
Redwood Community	\$86,459	\$136,522	

Action Agency			155%
San Bernardino County Community Services	\$130,066	\$137,677	106%
CSD	\$177,262	\$56,950	31%
Totals	\$584,942	\$584,942	100%

Monitoring

CSD continues to implement a quality assurance program that includes review and approval of lead-based paint inspection/risk assessment reports, project designs and cost estimates. CSD will continue to conduct periodic field visits to supervise work activities, and provide training and technical assistance. These visits and desk reviews will assist CSD to ensure that the CBOs are in contractual compliance. CSD has developed and implemented an on-site monitoring tool to assist CSD in the monitoring process.

Program Outreach

CBOs continue to perform community outreach through their federal and state-funded weatherization programs, referrals from local housing authorities, CLPPP, and canvassing and outreach in the Target Counties. CBOs are to participate in or conduct at least two community events for the general public to disseminate information concerning lead hazards. Once a unit is identified, the CBOs commence the intake process by qualifying the occupant based on HUD current medium income guidelines and CSD qualification standards, and then by providing lead hazard control education to the occupant/owner, with an emphasis on having children under six who live in the housing unit tested for blood-lead levels. Lead hazard control education such as the Environmental Protection Agency's booklet, *Protect Your Family from Lead in Your Home* will be given to the occupant/owner.

Assessment of Response to State Objectives

Objective 1: CSD will implement the HUD-Funded XIII and XV Grants

In November 2006, the Department of Community Services and Development (CSD) was awarded a HUD Lead Hazard Control Program grant under Round XIII, in the amount of \$3 million, covering the period November 1, 2006, through October 31, 2009. If awarded Round XV funding, the grants will provide lead hazard control services to 610 low-income units in conjunction with weatherization services; build collaborative working relationships with the local Childhood Lead Poisoning Prevention programs, housing departments, and other

partners to increase the effectiveness of responses to lead hazards in local communities.

Objective 2: CSD will monitor the performance of its network of agencies that provide weatherization services to assure compliance with lead-safe work practices as outlined in CSD's Policies and Procedures Manual.

CSD implemented a quality assurance program that includes review and approval of lead-based paint inspections/risk assessments reports, project designs and cost estimates. CSD will conduct periodic field visits to supervise work activities, and perform desk reviews for all CBOs.

Objective 3: CSD will provide a Lead Hazard Control Training and Certification Program to ensure CBOs are properly trained and certified to perform the work as approved by HUD.

CSD will contract with a consultant who retains a State-accredited lead-related construction trainer approved by HUD to provide the following classes: Lead Work Certification, Inspector/Risk Assessor, Supervisor/Project Monitor, and Lead Renewal.

Objective 4: CSD will partner with other state and local government entities to control lead hazards in California's housing.

CSD will continue seeking out opportunities to work in collaboration with DHS in leveraging personnel resources in grant activities.

Objective 5: CSD will partner with HCD to ensure that the administration of HCD's federal loan and grant programs, CDBG, HOME and ESG, comply with 24 CFR Part 35 et al.

CSD will continue to partner with HCD when there are opportunities to provide lead awareness training and/or lead-related construction courses.

**Other Actions
by the State of California
to Promote Housing and
Community Development**

HCD and other agencies of the State of California took many additional actions in 2007-08 that directly and substantially promote affordable housing and address the underserved housing needs of the homeless, including homeless youth, veterans, seniors, mobile home residents, the homeless with disabilities, and other lower income households. The California 2005-2010 Consolidated Plan (pages 21-22) outlines other recent and ongoing actions to reduce barriers to affordable housing and meet underserved housing needs.

Eliminating Barriers to Affordable Housing

Housing elements and local government housing planning (HCD Division of Housing Policy Development, HPD)

California law requires each city and county to have a housing element in its General Plan. The primary goals of California's housing element law are to increase housing supply and affordability and address existing housing needs. Additional goals include: conserving existing affordable housing stock; improving housing conditions; removing regulatory barriers to the development; improvement and maintenance of housing, expanding equal housing opportunities, and addressing the special housing needs of the state's most vulnerable residents (seniors, farmworkers, homeless and persons with disabilities). HPD's review of housing elements ensures that local governments use their zoning and land-use authority to provide opportunities for housing development and also not unduly constrain housing supply and choice.

In 2007-08 HPD reviewed and issued written findings on 108 draft and adopted housing elements submitted by cities and counties. HPD staff visited 53 cities, and met with representatives of many others, in the course of preparation and review of their housing elements. As of June 30, 2008, 80 percent of the state's cities and counties had housing elements which were found in compliance with state law – the highest compliance rate ever achieved.

Public Outreach - HPD

HPD (exclusive of the other divisions of HCD) responded to approximately 4017 requests for information on housing issues and financial resources, data and implementation of state laws.

HPD monitored and/or prepared analyses for numerous State legislative proposals relating to housing and land-use regulation.

HPD staff made presentations related to housing or redevelopment issues at approximately 50 conferences and workshops during the year. Staff presented and attended numerous redevelopment workshops, conferences, and professional meetings such as the California Redevelopment Association's *Annual Conference/Expo*; the League of Cities' *Planners' Institute and Mini Expo*; Southern California Association of Governments' *Housing Summit*; Housing California's *2008 Annual Conference*;

Blueprint Learning Network's *State Coordinating Committee*; California Redevelopment Association's *Northern Financial Reporting Workshop*; City of Westminster's *Orange County Mayor's Roundtable*; League of Cities' *Annual Conference/Expo*; Southern California Association of Non-Profit Housing's *Annual Housing Conference*; American Planning Association's California Chapter's *State Conference*; San Diego Federation's *17th Annual Conference*; Latino Legislative Caucus' *Homeownership: Where Will the New California Live?*; California Coalition for Rural Housing's *Rural Housing Summit*; California Planning Roundtable's *Annual Conference*; UCLA's *Land Use Law Conference*; CAL-ALFA's *Legislative Conference*; and Haagen Smit's *Symposium*.

Public Outreach – HCD Division of Financial Assistance (DFA)

DFA assigns a specialist staff member to respond to inquiries from Californians seeking affordable housing (our customers). These requests come primarily in the form of letters to the Governor or directly to HCD that are forwarded for reply, or e-mail messages sent to HCD's website, or telephone calls.

Information is provided back through the same channels, with emphasis on paper mail and e-mail because of the size of the housing resource lists and packages that are often sent. They may cover landlord-tenant rights and obligations, state and local housing agencies to contact, local first-time-homebuyer assistance programs, and/or affordable rental housing projects located in each county.

In 2007-08, DFA responded to the following customer requests:

Letters to Governor or HCD	239
E-mail to HCD website	464
Telephone inquiries	1,798
Other	1,337
<u>Total</u>	3,838

State Bond Financing (Proposition 1C and Proposition 46)

The Legislature, Governor and voters approved Proposition 46 in November, 2002, which authorized \$2.1 billion in state bonds for a variety of new housing investments of which \$1.81 billion was allocated to HCD programs. Since 2006-07, HCD invested over \$1.53 billion in Proposition 46 funds with hundreds of state and local, public and private organizations to create thousands of new affordable housing units. Proposition 46 funds have been almost entirely expended, with exceptions such as previous awards that for various reasons are being reallocated.

California voters approved Proposition 1C on the November, 2006 statewide ballot, thereby extending America's largest state-funded affordable housing assistance effort. Proposition 1C authorized \$2.85 billion more in General Obligation bonds to continue

several important bond-funded housing assistance programs, and launch new infrastructure programs that support housing.

Following are links to pages on the Governor's website that track the expenditure of Proposition 1C bond funds by program and by agency. The Overview page (first link) shows the funds available, awarded, and remaining. The Accomplishments page (second link) includes the number of awards and the projected outcomes by number and type of housing units:

<http://www.bondaccountability.hcd.ca.gov/ba.hcd?id=index>

<http://www.bondaccountability.hcd.ca.gov/ba.hcd?id=accomplishments>

Operation of HCD's State-Funded Housing Financial Assistance Programs:

HCD's awards during 2006-07 were drawn from the following fund sources (2007-08 data were not complete as of the closing date of this CAPER):

Funding Source	Total Awards
State bond funds -- Proposition 46 and Proposition 1C	\$348,345,017
Federal funds	\$110,031,976
State General Funds	\$ 19,148,381
Revolving funds	\$ 6,920,550
Total	\$484,445,924

While federal fund allocations totaled a substantial and welcomed \$110,031,976, HCD was able to award state-funded loans and grants totaling more than three times as much. These state funds accomplished the following in 2007-08:

<u>No. of Awards</u>	<u>Amount of Awards</u>	<u>Housing Units Assisted or Regulated</u>
440	\$374,413,948	5,635

These awards also helped to bring more than \$1.1 billion from other sources into the projects assisted.

For more information see recent HCD Annual Reports, summarizing the results of HCD's financial assistance programs, via links listed at the bottom of the webpage at <http://www.hcd.ca.gov/fa/>.

For more information on the HCD financial assistance programs themselves, see the alphabetical listing of programs at <http://www.hcd.ca.gov/fa/>, or the "Financial Assistance Program Directory" via the link titled Loan and Grant Program Directory at the top right of the same webpage.

Foreclosure Prevention

Unfortunately, California metropolitan areas have led the nation in foreclosures for ten months in a row. In November 2007, California accounted for 20 percent of the 201,950 foreclosure filings reported nationwide - 2.2 times the national average and 213 percent above the statewide 2006 total. A half million Californians have sub-prime loans that will jump to higher rates within the next two years. To address the growing foreclosure problem, Governor Schwarzenegger launched a public awareness campaign to educate homeowners about options that can help them avoid losing their homes to foreclosure. The \$1.2 million campaign, funded through existing consumer education efforts within the Business, Transportation and Housing Agency and the State and Consumer Services Agency, will:

- inform borrowers about their options;
- urge borrowers to work with lenders before foreclosure;
- encourage the use of nonprofit housing counselors; and
- partner with local leaders and trusted organizations, like churches and community groups, to further the goals of the campaign.

As part of the Governor's efforts, the following resources are also available to homeowners:

- The "HOPE Hotline" (1-888-995-HOPE or <http://www.995hope.org>), provides free mortgage counseling 24 hours a day, seven days a week.
- A website with helpful information for prospective homebuyers, as well as homeowners who are experiencing difficulty in keeping payments current: <http://www.yourhome.ca.gov/> and the Spanish language version: <http://www.sucasa.ca.gov/>.

Additionally, the Governor negotiated an agreement with four lenders, representing 25 percent of the sub-prime loan market in California, to announce their commitment to principles that will help preserve homeownership for tens of thousands of homeowners at risk of default due to hybrid adjustable rate mortgages (ARM) sub-prime mortgages resetting to higher interest rates. The agreement consists of three basic principles directing mortgage lenders to:

- reach out proactively to borrowers well before their loans reset;
- streamline the processes by which they determine whether borrowers may reasonably be expected to be able to make the reset payment; and
- maintain at the starter rate for a sustainable period of time the homeowner who is current on payments, where a lender has determined the borrower's resources are insufficient to make the reset payment.

Reducing Obstacles to Meeting Underserved Housing Needs

Furthering Fair Housing

Program-specific activities to promote fair housing are described under this same title in the program sections, above.

Recent legislation has reduced regulatory barriers to affordable housing and ensured that low-income households are not discriminated against in land-use and zoning policies.

AB 2511 (Chapter 888, Statutes 2006) prohibits cities and counties from discriminating against residential developments on grounds of their intended occupancy by very-low income households, and provides for enforcement measures if cities or counties do not file their required annual reports on the implementation of their housing elements.

AB 2634 (Chapter 891, Statutes 2006) requires local governments to quantify the housing needs of current and future extremely low-income households making less than 50 percent of the area median income, and identify zoning to encourage and facilitate the development of supportive housing and single-room occupancy units for extremely low-income households and persons.

SB 1087 (Chapter 727, Statutes of 2005) requires water and sewer providers (including local government providers) to prepare and adopt written policies and procedures to grant priority services allocations to proposed housing developments affordable to lower income households. To ensure the effective implementation of this requirement, HCD has prepared a brief technical assistance paper to assist local governments and water and sewer providers.

SB 2 (Chapter 33, Statutes of 2007) clarifies and strengthens housing element law to ensure that local zoning encourages and facilitates emergency shelters and limits the denial of permits to emergency shelters and transitional and supportive housing under the Housing Accountability Act. Again, to ensure the effective implementation of this requirement, HCD has prepared a technical assistance paper to assist local governments in addressing the critical needs of homeless populations and persons with special needs.

Continuum of Care: Special Needs of Persons with HIV/AIDS

The Continuum of Care describes the process of providing adequate housing opportunities for persons who are homeless. The range of housing opportunities is tailored to fit the specific housing and service needs of the client. Continuum of Care is also a term used to describe the services needed to maintain health for persons living with HIV (PLWHs). These services are tailored to fit the needs of PLWHs as they progress through their illness.

For homeless people with HIV/AIDS, the Continuum of Care process typically provides housing and services as the person leaves homelessness and moves into an emergency shelter, through a transitional facility, nursing home or hospital, depending upon the success of life-prolonging medications. The HOPWA program has historically provided assistance for the development and operations of housing at all stages of this continuum.

Governor's Homeless Initiative (GHI)

On August 31, 2005, Governor Schwarzenegger announced an initiative to address long-term homelessness in California. He directed HCD, the California Housing Finance Agency (CalHFA), and the Department of Mental Health (DMH) to develop an integrated joint funding package to finance permanent supportive housing for chronically homeless persons with severe mental illness. Residents of this housing will receive supportive services from county mental health departments, using Mental Health Services Act (MHSA; see below) funds.

The three agencies collaborated and produced procedures for the integrated effort. On November 15, 2005 a Notice of Funding Availability was released announcing approximately \$40 million in development funding. HCD's first award as part of the Governor's Homeless Initiative (GHI) was made near the end of 2005-06 for approximately \$1.5 million. During 2006-07, HCD awarded four more GHI projects for a total of about \$13.7 million. Two more GHI projects were awarded a total of about \$7.25 million during 2007-08. As the fiscal year ended, HCD was considering awarding about \$1.5 million to another GHI project. Should that project also be funded, approximately \$16 million in GHI funding will remain available. The seven funded developments will provide 228 new and rehabilitated low-income housing units with social services for the mentally ill and other chronically homeless people.

Demand for GHI funds has not been as strong as expected. This seems attributable to two main factors: 1) serving the target population (people who are chronically homeless and severely mentally ill – receiving services under the MHSA) poses difficult challenges for would-be developers, such as generating enough project income to pay expenses that are higher than in most assisted housing developments. Designing workable project business models takes longer than expected. 2) Proposition 63 provides funding for, among other things, a much larger housing program for those eligible for services under the MHSA. The desire of counties to win funding from the newer and larger program (from which they also derive other mental health funding) may have diverted their attention from GHI.

Proposition 63 was passed by the voters in November 2004, and the new MHSA housing program has been in development since then. The program recently produced its first applications. HCD has reviewed some of these, and many of the projects seem suitable for co-funding with MHSA and GHI funds. HCD expects a successful conclusion to the GHI program as the remaining GHI funding is used to co-fund MHSA projects in a continued cooperative effort with DMH and CalHFA.

Mental Health Services Act (MHSA) Housing Program

The MHSA housing program offers permanent financing loans and capitalized operating subsidies for the development of permanent supportive housing, including both rental and shared housing, for persons with serious mental illness who are homeless or at risk of homelessness. The design of MHSA is based on the earlier Governor's Housing Initiative. Like GHI, it is jointly administered by the California Housing Finance Agency (CalHFA) and the Department of Mental Health (DMH), and is aimed at serving the same client group.

County mental health agencies also receive shares of MHSA funding to develop and operate supportive housing. CalHFA administers the real estate and capital development components of county projects, while DMH oversees supportive services plans for county projects.

The greatest difference between GHI and MHSA is the scale of funding. Whereas GHI received a one-time infusion of \$40 million in redirected funds, MHSA is backed by Proposition 63 of 2004, which imposes an additional 1% tax on taxpayers with personal incomes above \$1 million. This was expected to provide additional state revenues of about \$700 million annually. MHSA is being organized to support the expansion of a variety of state and local mental health services and facilities, with the housing program expected to get a substantial share.

Public Housing Resident Initiatives

The State does not own or operate public housing; public housing is administered directly through local Public Housing Authorities (PHAs). Therefore, the State has no involvement with public housing residents. HCD's Housing Assistance Program (HAP) acts as a PHA to administer the Housing Choice Voucher (Section 8) program in twelve rural counties that do not have their own PHAs (Alpine, Amador, Calaveras, Colusa, Glenn, Inyo, Modoc, Mono, Sierra, Siskiyou, Trinity and Tuolumne). HAP is not, however, involved with public housing.

Other Agencies

Institutional Structure and Intergovernmental Cooperation

Several state agencies administer financial assistance to improve housing and community development: HCD and the California Housing Finance Agency (CalHFA) invest state and federal funds through a variety of programs, and in the Treasurer's Office, the Tax Credit Allocation Committee (TCAC) and the California Debt Limit Allocation Committee (CDLAC) allocate California's share of, respectively, federal low income housing tax credits and federal-tax-exempt mortgage revenue bonds. During 2007-08 as in prior years, these agencies and others collaborated extensively with one another and with local public agencies that implement many of these programs.

The following examples list some of HCD's intergovernmental cooperation arrangements, but do not necessarily reflect the full range of state intergovernmental arrangements that promote housing and community development:

- **HCD, CalHFA, TCAC and CDLAC** continues to use a Universal Application for project development funding that the agencies developed jointly several years ago.
- **HCD's** Director serves on the board of **CalHFA**, and also serves as a ex officio member of **TCAC and CDLAC**, as does the Director of CalHFA.
- **HCD, the Department of Public Health, and the Department of Community Services and Development** administers the five federal assistance programs which are reported on in this CAPER. These agencies collaborate on this document, and on the State Consolidated Plan and the Annual Plan. They also coordinate with other program providers, local, other state, and federal governmental entities, non- and for-profit entities, professional organizations, interest groups, and other parties interested in the implementation of federal programs.
- HCD sponsors annual workshops at regional locations regarding program application procedures and grant management requirements for the various federal programs. HCD staff participate in meetings with professional associations, including the **League of California Cities, the Rural Builders Council of California, the California County Commissioners Association, the California County Planning Directors Association, the Building Industry Association, the California Redevelopment Association, the American Planning Association, the California Coastal Commission, Southern California Association of Governments** and other entities interested in state implementation of HUD programs.
- Beginning with Proposition 46 and continuing with Proposition 1C, **California voters and the Legislature** have created more than a dozen new state-bond-funded housing and community development programs. Each program requires the development of an administrative design and operating criteria. HCD typically begins these processes by convening stakeholders meetings around the state, open to all interested parties, to discuss how to implement new programs. These meetings typically include representatives of city and county governments and nonprofit and for-profit developers
- Proposition 63 has revitalized and expanded the provision of housing and supportive services to the homeless mentally ill. Implementation has involved **HCD, CalHFA and the Department of Mental Health** (see details under the Governor's Homeless Initiative and the Mental Health Services Act housing program, above).
- HCD has a statutory role to advise the state **Department of General Services** (DGS) on how much to reduce the prices of parcels of surplus state land when they are purchased from DGS to be used for affordable housing developments. In past instances, HCD has recommended reduced site prices based on the subsidy value to be provided by the proposed development in the form of below-market rents. HCD also recently advised DGS and the Department of Developmental Services (DDS) on the use of state surplus land at the former Fairview Developmental Center

for affordable housing.

- Working with the California Department of Transportation (Caltrans), HCD has provided information on surplus state lands to affordable housing developers. State surplus lands can be made available for affordable housing projects at a reduced price, helping to make the project rents lower.
- Before most HCD loan and grant decisions are made, the staff recommendations are reviewed by the **Local Assistance Loan and Grant Committee**, an appointed panel of public officials, developers and lenders that meets periodically to advise HCD's Director on loan and grant decisions. The Committee adds an additional, valuable perspective on the financial, technical and policy issues of the proposals it reviews.
- Since the mid-1990s, HCD has had a contractual arrangement with the state **Department of Developmental Services** to assist DDS with the development and operation of housing for developmentally disabled persons. The interagency agreement began with HCD reviewing development applications on behalf of DDS, making the awards, preparing and executing the contracts, etc. Since about 2000, HCD has provided expert technical assistance and asset management services, including periodic documentary and onsite monitoring of the physical, fiscal and operating management of 52 assisted units in 13 projects.
- HCD's Chief Deputy Director is HCD's representative on the state's diverse, intergovernmental **Olmstead Advisory Committee**, created by the Governor in 2004 to advise the state **Health and Human Services Agency (HHSA)** on how to better give persons with disabilities appropriate access to, and choices of, community-based services and placement options in lieu of unnecessary institutionalization, consistent with the U.S. Supreme Court's Olmstead decision.
- HCD's Division of Codes and Standards oversees several state building and housing codes, affecting conventional, manufactured and employee housing, that are administered in partnership with **city and county building officials**.
- HCD's Division of Housing Policy Development (HPD) reviews and comments on the **housing elements of city and county General Plans**, to determine their compliance with criteria in state law. This regulatory role is supplemented by technical assistance to local officials on housing planning and redevelopment law, and on best practices in these fields. (for details, see above)
- The California Enterprise Zone Program (EZ) was transferred to HCD by law in 2004. The program stimulates business investment and job creation in state-designated economically distressed zones, by granting state income tax credits to individuals and corporations that hire disadvantaged individuals in designated zones. HCD EZ representatives participate in meetings of the **California Association of Enterprise Zones**, which has a board made up of eleven local government EZ officials and three business advisors, and provides feedback to HCD on its administration of the program.
- The financing of affordable rental housing developments now typically requires funds

from two or more sources. This is true of most HCD rental loan and grant programs. In 2006-07, for example, \$484 million in HCD loans and grants were partnered with \$1.457 billion – three times as much – in funds from other sources. Other funds for HCD-assisted projects frequently come from the **CalHFA and TCAC** (see below), the **U.S. Department of Housing and Urban Development (HUD)**, the **U.S. Department of Agriculture’s Rural Development arm (RD)**, **local government redevelopment and housing agencies**, and **private nonprofit and for-profit lenders**.

California Housing Finance Agency (CalHFA)

The California Housing Finance Agency (CalHFA) was created in 1975 as the state's affordable housing bank. Currently with more than \$9 billion in pledged assets, CalHFA is the third largest state-chartered bank in California. CalHFA's current \$14 billion five-year business plan is expected to produce 75,000 jobs, finance 7,000 newly constructed homes, and create affordable housing for 105,000 Californians.

CalHFA differs from HCD in generating loan funds primarily through the issuance of revenue bonds, and in focusing primarily, but not exclusively, on the conventional mortgage financing of single-family homeownership. CalHFA also operates a Multifamily Division with plans to finance 1,500 new affordable rental housing units, and works with HCD and the Department of Mental Health (DMH) to address chronic homelessness through the Governor’s Homeless Initiative (GHI) and the Mental Health Services Act Housing Program (MHSA; see above).

Links to general CalHFA information include: <http://www.calhfa.com/partners/> and <http://www.bth.ca.gov/depts/calhfa.asp>. CalHFA’s recent annual reports are available at <http://www.calhfa.ca.gov/about/publications/reports/>.

Tax Credit Allocation Committee (TCAC)

The California Tax Credit Allocation Committee (“Committee” or “TCAC,” an arm of the State Treasurer’s office) administers two low income housing tax credit programs – a federal program and a state program. Both programs were authorized to encourage private investment in affordable rental housing for households meeting certain income requirements.

When a new tax credit allocation is received by the State from the federal government, distribution commences along with state low-income housing tax credits, which are often awarded in conjunction with federal tax credits. The Qualified Allocation Plan (QAP) and TCAC regulations govern the administration of federal and state tax credits. The QAP promotes the coordination of federal and state tax credits with other housing programs including HOME (reported on in this CAPER). For example, priorities for allocating state credits include the following:

- HUD HOME program funds are a source of funds, with eligible basis limited to the amount of unadjusted basis; or,
- HUD HOME program funds are a source of funds and a state credit is needed to

satisfy HOME match requirements. The local jurisdiction or CHDO provides an explanation of why other sources are not available to provide matching funds.

In calendar 2007, TCAC awarded nearly \$75.9 million in competitive nine percent (9%) federal credits to 70 proposed housing projects, along with over \$71 million in State credits to 19 competitive 9% projects, and \$23.4 million in state credits to nine projects receiving 4% tax credits with tax-exempt bonds. A federal tax credit is in effect for ten years, which means the eventual total value of federal credits awarded in California in 2007 is \$759 million. The \$94.4 million total for state tax credits covers a four-year period of effect.

More information about TCAC is available at: <http://www.treasurer.ca.gov/ctcac/>. The tax credit programs are outlined at: <http://www.treasurer.ca.gov/ctcac/tax.asp>.

Governor and Legislature: Notable Housing Legislation

During 2007-08 the California Legislature and the Governor enacted, or the Legislature considered, a number of bills to promote affordable housing:

Chapter 618, Statutes of 2007 (AB 927, Saldana): Requires HCD's Multifamily Housing Program (MHP) to reserve a defined percentage of its funds for units restricted to senior citizens.

Chapter 274, Statutes of 2007 (AB 929, Runner): Authorizes the California Housing Finance Agency (CalHFA) to issue more revenue bonds for housing assistance.

Chapter 633, Statutes of 2007 (SB 2, Cedillo): Strengthens housing element law that requires local governments to identify sites to accommodate needed emergency shelters and prohibits local governments from requiring conditional use permits to develop shelters. Amends existing anti-NIMBY statutes to include emergency shelters, transitional housing and supportive housing.

Chapter 168, Statutes of 2007 (SB 198, Battin): Expands the definition of homeless youth for certain programs by removing the lower age limit of 18, and allows a provider of emergency shelter or transitional housing to restrict occupancy to individuals younger than 18.

Chapter 658, Statutes of 2007 (SB 707, Ducheny): Authorizes HCD and the California Housing Finance Agency to extend and modernize existing loans that financed more than 5,000 affordable housing units.

Chapter 561, Statutes of 2007 (SB 753, Correa): Authorizes HCD's state-funded CalHome program to finance the purchase of mobile homes and manufactured homes, including the land beneath the homes.

Following are some of the bills in the 2008 session of the Legislature that promote affordable housing and community development. The final form and the fate of these bills were not yet determined at this writing:

SB 1200 (Ducheny) would establish the Native American Business Revolving Loan Program to promote the long-term economic viability of tribal communities by providing capital to create or retain jobs, offer business development and employment training, and provide general education to tribal members.

AB 2069 (Jones) would clarify the statutory definition of "lower residential density" under the no-net-loss zoning law, to reduce double-zoning, in which sites supposedly zoned for mixed uses including housing are ultimately used for exclusively commercial projects.

AB 793 (Strickland) would requires county assessors to exclude the fiscal impact of affordable housing agreements from the assessed value of real property, to ensure that persons living in affordable homes are not overburdened with property-tax payments they cannot afford.

SB 541 (Alquist) would prohibit the management of a mobile home park from denying tenancy to a mobile home purchaser solely on the basis of income without looking at assets.

SB 900 (Corbett) would add requirements to the Subdivision Map Act for a conversion of a mobile home park by a sub-divider to resident ownership to avoid the economic displacement of non-purchasing residents.

SB 1107 (Correa) would requires mobile home park management to allow a homeowner or resident to install facilities to accommodate the disabled on their home or the site, lot, or space on which their home is located. Also allows a mobile home owner to share their home with a live-in caregiver who provides care pursuant to a written treatment plan without being charged a fee for that person.

Tenant Assistance / Relocation Provisions of the HOME Program

A P P E N D I X A

APPENDIX A

HOME Program: Tenant Assistance/Relocation Provisions

Following are descriptions of how HOME addresses four tenant relocation and assistance requirements:

Steps taken to minimize displacement in projects assisted by HOME.

Application and contract management meetings continue to emphasize the importance of selecting projects that are available for construction or rehabilitation without relocating residents. The costs of relocation are highlighted so that potential applicants understand the need to consider these costs when determining project feasibility. To minimize displacement of residential tenants, contractors are encouraged to purchase only property that is vacant, including single family residences that are vacant for at least three months, to plan for rehabilitation to minimize or eliminate temporary or permanent relocation, and to budget adequately for relocation costs

Steps taken to (a) identify in a timely manner all persons who occupy the site of a project assisted by HOME, (b) determine whether they will be permanently displaced as a result of the project; (c) ensure issuance of timely information notices to them, and (d) identify the entity issuing notices in connection with projects carried out by a third party (e.g., private-owner rehabilitation).

The State requires contractors whose activities may trigger relocation to submit relocation plans, describing the relocation needs of the projects, prior to setting up the projects. HOME reviews all material submitted by CHDOs and State Recipients for actions that may involve relocation, including copies of General Information Notices sent, Eligibility Notices, and other required relocation forms. Recipients are advised of any additional requirements. At the contract management workshops held after awards are made and contracts executed, HOME contractors are informed about relocation law, including the timing of notices. The workshops are supported by a Contract Management Manual which contains detailed, updated information regarding relocation and other Federal overlay issues. Notices of relocation requirements are issued by CHDOs and State Recipients where projects are carried out by third parties.

Steps taken to determine (a) causes of any displacement (e.g., acquisition, rehabilitation) of households, businesses and nonprofit organizations indicated in Part V of Form HUD-40107, that occurred during the reporting period, (b) whether the financial assistance was at Uniform Relocation Act levels, the levels under section 104(d) of the Housing and Community Development Act of 1974, as amended, or at levels provided under an optional relocation policy (if the latter, attach a copy of optional policies), and (c) the extent to which assistance was provided through tenant-based rental assistance (e.g., Section 8 Rental Certificates or Vouchers).

Projects are monitored to determine whether (a) any tenant displacement is caused by the acquisition or rehabilitation of units with HOME funds; (b) relocation financial assistance was provided at Uniform Relocation Act levels or Section 104(d) levels, when applicable, based on information available from monitoring contractors; and (c)

the extent to which Section 8 or Housing Choice Voucher (HCV) rental assistance was provided by contractors.

Steps taken to coordinate housing assistance with the delivery of services to occupants of project sites, whether or not displaced, including a description of special services provided.

Monitoring during the reporting period may confirm permanent displacement, temporary displacement or other situations that require relocation noticing or other special services. HOME recommends that contractors provide the following services: housing information to help displaced persons or entities find another suitable and affordable dwellings; financial assistance to ensure that temporary or permanent replacement housing is affordable and attainable; temporary benefits such as reimbursement of hotel and meal costs for temporary displacement during rehabilitation; and information about the availability of special services, such as childcare, special educational opportunities and supportive services. To ensure all relocation laws are followed, HOME requires accurate records of notices, claim forms, tenant contact information, and other required data to be kept available for relocation monitoring and verification.

**Geographic Distribution of
CDBG, ESG, HOME and HOPWA
Program Awards, 2007-08**

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Appendix B1

Geographic Distribution of Program Awards for 2007-08 CDBG, ESG, HOME and HOPWA Program Awards

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
Region One: Los Angeles Metropolitan Region						
City of Brawley	\$957,884	\$0	\$0	\$0	\$0	\$957,884
City of Calexico	\$1,223,853	\$0	\$0	\$0	\$0	\$1,223,853
City of Calipatria	\$35,000	\$0	\$0	\$0	\$0	\$35,000
City of El Centro	\$457,883	\$0	\$5,000,000	\$0	\$0	\$5,457,883
Catholic Charities, Diocese of San Diego	\$0	\$163,565	\$0	\$0	\$0	\$163,565
City of Holtville	\$335,000	\$0	\$0	\$0	\$0	\$335,000
City of Imperial	\$960,000	\$0	\$0	\$0	\$0	\$960,000
City of Westmorland	\$500,000	\$0	\$0	\$0	\$0	\$500,000
County of Imperial	\$897,884	\$0	\$0	\$0	\$0	\$897,884
Imperial Valley Housing Authority	\$0	\$0	\$0	\$0	\$47,779	\$47,779
Total Imperial County	\$5,367,504	\$163,565	\$5,000,000	\$0	\$47,779	\$10,578,848
City of Lancaster	\$0	\$0	\$4,000,000	\$0	\$0	\$4,000,000
1736 Family Crisis Center	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Ocean Park Community Center	\$0	\$178,022	\$0	\$0	\$0	\$178,022

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
Southern California Alcohol & Drug Programs, Inc.	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Whittier First Day Coalition	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Total Los Angeles County	\$0	\$778,022	\$4,000,000	\$0	\$0	\$4,778,022
Total Orange County	\$0	\$0	\$0	\$0	\$0	\$0
City of Calimesa	\$234,650	\$0	\$0	\$0	\$0	\$234,650
City of Coachella	\$70,000	\$0	\$0	\$0	\$0	\$70,000
Total Riverside County	\$304,650	\$0	\$0	\$0	\$0	\$304,650
Total San Bernardino County	\$0	\$0	\$0	\$0	\$0	\$0
County of Ventura	\$0	\$0	\$0	\$0	\$208,407	\$208,407
Total Ventura County	\$0	\$0	\$0	\$0	\$208,407	\$208,407
Region One Totals:						
Los Angeles Metropolitan Region	\$5,672,154	\$941,587	\$9,000,000	\$0	\$256,186	\$15,869,927
Region Two: Bay Area Metropolitan Region						
Cornerstone Community Development Corp.	\$0	\$296,629	\$0	\$0	\$0	\$296,629
Tri-City Homeless Coalition	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Total Alameda County	\$0	\$496,629	\$0	\$0	\$0	\$496,629
Contra Costa Health Services	\$0	\$193,746	\$0	\$0	\$0	\$193,746
Shelter Inc. of Contra Costa County	\$0	\$80,735	\$0	\$0	\$0	\$80,735

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
Total Contra Costa County	\$0	\$274,481	\$0	\$0	\$0	\$274,481
Homeward Bound of Marin	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Total Marin County	\$0	\$200,000	\$0	\$0	\$0	\$200,000
County of Napa	\$0	\$0	\$0	\$0	\$39,133	\$39,133
Catholic Charities of the Diocese of Santa Rosa	\$0	\$197,778	\$0	\$0	\$0	\$197,778
Community Action of Napa Valley	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Total Napa County	\$0	\$397,778	\$0	\$0	\$39,133	\$436,911
Total San Mateo County	\$0	\$0	\$0	\$0	\$0	\$0
Total Santa Clara County	\$0	\$0	\$0	\$0	\$0	\$0
City of Rio Vista	\$391,700	\$0	\$0	\$0	\$0	\$391,700
County of Solano	\$0	\$0	\$0	\$0	\$350,833	\$350,833
Total Solano County	\$391,700	\$0	\$0	\$0	\$350,833	\$742,533
County of Sonoma	\$0	\$0	\$0	\$0	\$374,040	\$374,040
Catholic Charities of the Diocese of Santa Rosa	\$0	\$60,000	\$0	\$0	\$0	\$60,000
Interfaith Shelter Network	\$0	\$733,525	\$0	\$0	\$0	\$733,525
Total Sonoma County	\$0	\$793,525	\$0	\$0	\$374,040	\$1,167,565
Region Two Totals:						
Bay Area Metropolitan Region	\$391,700	\$2,162,413	\$0	\$0	\$764,006	\$3,318,119
Region Three: Sacramento Metropolitan Region						

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
City of South Lake Tahoe	\$300,000	\$0	\$0	\$0	\$0	\$300,000
County of El Dorado	\$517,875	\$0	\$0	\$0	\$0	\$517,875
Eldorado Women's Center	\$0	\$70,000	\$0	\$0	\$0	\$70,000
Womenspace Unlimited, South Lake Tahoe Women's Center	\$0	\$55,284	\$0	\$0	\$0	\$55,284
Total El Dorado County	\$817,875	\$125,284	\$0	\$0	\$0	\$943,159
City of Auburn	\$500,000	\$0	\$0	\$0	\$0	\$500,000
City of Colfax	\$105,000	\$0	\$0	\$0	\$0	\$105,000
City of Lincoln	\$100,000	\$0	\$0	\$0	\$0	\$100,000
City of Roseville	\$0	\$0	\$3,491,905	\$0	\$0	\$3,491,905
County of Placer	\$1,839,906	\$0	\$0	\$0	\$0	\$1,839,906
Total Placer County	\$2,544,906	\$0	\$3,491,905	\$0	\$0	\$6,036,811
City of Live Oak	\$70,000	\$0	\$0	\$0	\$0	\$70,000
County of Sutter	\$500,000	\$0	\$0	\$0	\$0	\$500,000
Caring Choices	\$0	\$0	\$0	\$0	\$8,191	\$8,191
Total Sutter County	\$570,000	\$0	\$0	\$0	\$8,191	\$578,191
City of West Sacramento	\$610,000	\$0	\$0	\$0	\$0	\$610,000
City of Winters	\$70,000	\$0	\$0	\$0	\$0	\$70,000
County of Yolo	\$35,000	\$0	\$0	\$0	\$0	\$35,000

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
United Christian Centers of the Greater Sacramento Area	\$0	\$145,414	\$0	\$0	\$0	\$145,414
Total Yolo County	\$715,000	\$145,414	\$0	\$0	\$0	\$860,414
County of Yuba	\$500,000	\$0	\$0	\$0	\$0	\$500,000
Caring Choices	\$0	\$0	\$0	\$0	\$12,286	\$12,286
The Salvation Army, a California Corporation (Marysville)	\$0	\$572,641	\$0	\$0	\$0	\$572,641
Total Yuba County	\$500,000	\$572,641	\$0	\$0	\$12,286	\$1,084,927
Region Three Totals:						
Sacramento Metropolitan Region	\$5,147,781	\$843,339	\$3,491,905	\$0	\$20,477	\$9,503,502
Region Four: Central Valley Metropolitan Region						
City of Firebaugh	\$176,937	\$0	\$0	\$0	\$0	\$176,937
City of Huron	\$18,750	\$0	\$0	\$0	\$0	\$18,750
City of Parlier	\$500,000	\$0	\$0	\$0	\$0	\$500,000
City of San Joaquin	\$255,000	\$0	\$0	\$0	\$0	\$255,000
County of Fresno	\$0	\$0	\$0	\$0	\$294,864	\$294,864
Total Fresno County	\$950,687	\$0	\$0	\$0	\$294,864	\$1,245,551
City of Delano	\$800,000	\$0	\$0	\$0	\$0	\$800,000
City of McFarland	\$70,000	\$0	\$0	\$0	\$0	\$70,000

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
City of Taft	\$70,000	\$0	\$0	\$0	\$0	\$70,000
City of Wasco	\$570,000	\$0	\$0	\$0	\$0	\$570,000
County of Kern	\$0	\$0	\$0	\$0	\$400,206	\$400,206
Total Kern County	\$1,510,000	\$0	\$0	\$0	\$400,206	\$1,910,206
City of Avenal	\$547,000	\$0	\$0	\$0	\$0	\$547,000
City of Corcoran	\$514,007	\$0	\$0	\$0	\$0	\$514,007
City of Lemoore	\$70,000	\$0	\$0	\$0	\$0	\$70,000
County of Kings	\$250,000	\$0	\$0	\$0	\$47,608	\$297,608
Champions Recovery Alternative Programs, Inc.	\$0	\$199,500	\$0	\$0	\$0	\$199,500
Total Kings County	\$1,381,007	\$199,500	\$0	\$0	\$47,608	\$1,628,115
City of Chowchilla	\$800,000	\$0	\$0	\$0	\$0	\$800,000
County of Madera	\$0	\$0	\$0	\$0	\$39,589	\$39,589
Total Madera County	\$800,000	\$0	\$0	\$0	\$39,589	\$839,589
City of Atwater	\$640,000	\$0	\$0	\$0	\$0	\$640,000
City of Los Banos	\$70,000	\$0	\$0	\$0	\$0	\$70,000
County of Merced	\$400,000	\$0	\$0	\$0	\$0	\$400,000
Merced County Community Action Board, Inc.	\$0	\$88,749	\$0	\$0	\$35,493	\$124,242
Total Merced County	\$1,110,000	\$88,749	\$0	\$0	\$35,493	\$1,234,242

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
County of Madera for Mariposa County	\$0	\$0	\$0	\$0	\$2,275	\$2,275
Total Mariposa County	\$0	\$0	\$0	\$0	\$2,275	\$2,275
County of San Joaquin	\$0	\$0	\$0	\$0	\$244,355	\$244,355
Total San Joaquin County	\$0	\$0	\$0	\$0	\$244,355	\$244,355
City of Riverbank	\$500,000	\$0	\$0	\$0	\$0	\$500,000
Stanislaus Community Assistance Project	\$0	\$0	\$0	\$0	\$145,066	\$145,066
Total Stanislaus County	\$500,000	\$0	\$0	\$0	\$145,066	\$645,066
City of Dinuba	\$814,820	\$0	\$0	\$0	\$0	\$814,820
City of Exeter	\$450,000	\$0	\$0	\$0	\$0	\$450,000
City of Farmersville	\$523,750	\$0	\$0	\$0	\$0	\$523,750
City of Lindsay	\$1,428,934	\$0	\$0	\$0	\$0	\$1,428,934
City of Woodlake	\$470,163	\$0	\$0	\$0	\$0	\$470,163
County of Tulare	\$1,053,750	\$0	\$0	\$0	\$60,520	\$1,114,270
Central California Family Crisis Center, Inc.	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Total Tulare County	\$4,741,417	\$200,000	\$0	\$0	\$60,520	\$5,001,937
Region Four Totals:						
Central Valley Metropolitan Region	\$10,993,111	\$488,249	\$0	\$0	\$1,269,976	\$12,751,336
Region Five: San Diego Metropolitan Region						
Catholic Charities of the Diocese of San Diego	\$0	\$186,289	\$0	\$0	\$0	\$186,289

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
Community Resource Center	\$0	\$198,900	\$0	\$0	\$0	\$198,900
North County Solutions for Change	\$0	\$199,334	\$0	\$0	\$0	\$199,334
Total San Diego County	\$0	\$584,523	\$0	\$0	\$0	\$584,523
Region Five Totals:						
San Diego Metropolitan Region	\$0	\$584,523	\$0	\$0	\$0	\$584,523
Region Six: Central Coast Metropolitan Region						
City of Gonzales	\$604,466	\$0	\$0	\$0	\$0	\$604,466
City of King City	\$250,000	\$0	\$0	\$0	\$0	\$250,000
City of Marina	\$500,000	\$0	\$0	\$0	\$0	\$500,000
City of Pacific Grove	\$150,000	\$0	\$0	\$0	\$0	\$150,000
County of Monterey	\$300,000	\$0	\$0	\$0	\$0	\$300,000
John XXIII AIDS Ministry	\$0	\$0	\$0	\$0	\$185,200	\$185,200
Mid-Peninsula, The Farm, Inc.	\$0	\$0	\$8,000,000	\$0	\$0	\$8,000,000
Shelter Outreach Plus	\$0	\$185,400	\$0	\$0	\$0	\$185,400
Total Monterey County	\$1,804,466	\$185,400	\$8,000,000	\$0	\$185,200	\$10,175,066
City of San Juan Bautista	\$19,757	\$0	\$0	\$0	\$0	\$19,757
County of San Benito	\$480,656	\$0	\$0	\$0	\$0	\$480,656
South County Housing Corp	\$0	\$0	\$4,000,000	\$0	\$0	\$4,000,000

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
Total San Benito County	\$500,413	\$0	\$4,000,000	\$0	\$0	\$4,500,413
County of San Luis Obispo	\$0	\$0	\$0	\$0	\$129,231	\$129,231
Total San Luis Obispo County	\$0	\$0	\$0	\$0	\$129,231	\$129,231
City of Guadalupe	\$500,000	\$0	\$0	\$0	\$0	\$500,000
County of Santa Barbara	\$250,000	\$0	\$0	\$0	\$147,887	\$397,887
Lompoc Housing and Community Development Corp	\$0	\$190,400	\$0	\$0	\$0	\$190,400
Total Santa Barbara County	\$750,000	\$190,400	\$0	\$0	\$147,887	\$1,088,287
City of Capitola	\$70,000	\$0	\$0	\$0	\$0	\$70,000
City of Santa Cruz	\$0	\$0	\$0	\$0	\$111,939	\$111,939
Homeless Services Center	\$0	\$200,000	\$0	\$0	\$0	\$200,000
Total Santa Cruz County	\$70,000	\$200,000	\$0	\$0	\$111,939	\$381,939
Region Six Totals:						
Central Coast Metropolitan Region	\$3,124,879	\$575,800	\$12,000,000	\$0	\$574,257	\$16,274,936
Region Seven: Northern California Metropolitan Region						
City of Biggs	\$570,000	\$0	\$0	\$0	\$0	\$570,000
City of Gridley	\$500,000	\$0	\$0	\$0	\$0	\$500,000
City of Oroville	\$3,036,000	\$0	\$0	\$0	\$0	\$3,036,000
County of Butte	\$497,300	\$0	\$0	\$0	\$0	\$497,300

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
Caring Choices	\$0	\$0	\$0	\$0	\$55,060	\$55,060
Community Action of Butte County, Inc.	\$0	\$176,819	\$0	\$0	\$0	\$176,819
Veterans Executive Corp. to Organize Rehabilitative Services	\$0	\$98,889	\$0	\$0	\$0	\$98,889
Total Butte County	\$4,603,300	\$275,708	\$0	\$0	\$55,060	\$4,934,068
City of Williams	\$806,000	\$0	\$0	\$0	\$0	\$806,000
County of Colusa	\$35,000	\$0	\$0	\$0	\$0	\$35,000
Caring Choices	\$0	\$0	\$0	\$0	\$455	\$455
Total Colusa County	\$841,000	\$0	\$0	\$0	\$455	\$841,455
City of Orland	\$35,000	\$0	\$0	\$0	\$0	\$35,000
City of Willows	\$162,105	\$0	\$0	\$0	\$0	\$162,105
County of Glenn	\$550,000	\$0	\$0	\$0	\$0	\$550,000
Caring Choices	\$0	\$0	\$0	\$0	\$5,460	\$5,460
Total Glenn County	\$747,105	\$0	\$0	\$0	\$5,460	\$752,565
City of Anderson	\$535,000	\$0	\$0	\$0	\$0	\$535,000
City of Shasta Lake	\$1,535,000	\$0	\$0	\$0	\$0	\$1,535,000
County of Shasta	\$385,000	\$0	\$0	\$0	\$0	\$385,000
Total Shasta County	\$2,455,000	\$0	\$0	\$0	\$0	\$2,455,000

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
County of Tehama	\$35,000	\$0	\$0	\$0	\$0	\$35,000
Caring Choices	\$0	\$0	\$0	\$0	\$8,191	\$8,191
Total Tehama County	\$35,000	\$0	\$0	\$0	\$8,191	\$43,191
Region Seven Totals:						
Northern California Metropolitan Region	\$8,681,405	\$275,708	\$0	\$0	\$69,166	\$9,026,279
All California Metropolitan Regions, Totals:	\$34,011,030	\$5,871,619	\$24,491,905	\$0	\$2,954,068	\$67,328,622
Non-Metropolitan Areas: Northern California						
City of Crescent City	\$435,250	\$0	\$0	\$0	\$0	\$435,250
County of Del Norte	\$264,750	\$0	\$0	\$0	\$0	\$264,750
County of Humboldt for Del Norte County	\$0	\$0	\$0	\$0	\$9,101	\$9,101
Total Del Norte County	\$700,000	\$0	\$0	\$0	\$9,101	\$709,101
City of Arcata	\$2,935,136	\$0	\$0	\$0	\$0	\$2,935,136
City of Blue Lake	\$500,000	\$0	\$0	\$0	\$0	\$500,000
City of Eureka	\$564,000	\$0	\$0	\$0	\$0	\$564,000
City of Fortuna	\$420,000	\$0	\$0	\$0	\$0	\$420,000
City of Rio Dell	\$500,000	\$0	\$0	\$0	\$0	\$500,000
County of Humboldt	\$358,400	\$0	\$0	\$0	\$44,594	\$402,994
Arcata Endeavor, Inc.	\$0	\$100,000	\$0	\$0	\$0	\$100,000

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
Redwood Community Action Agency	\$0	\$100,000	\$0	\$0	\$0	\$100,000
Women's Crisis Shelter in Southern Humboldt (WISH)	\$0	\$199,079	\$0	\$0	\$0	\$199,079
Total Humboldt County	\$5,277,536	\$399,079	\$0	\$0	\$44,594	\$5,721,209
City of Clearlake	\$500,000	\$0	\$0	\$0	\$0	\$500,000
Community Care Management Corp.	\$0	\$0	\$0	\$0	\$29,122	\$29,122
Total Lake County	\$500,000	\$0	\$0	\$0	\$29,122	\$529,122
City of Susanville	\$250,000	\$0	\$0	\$0	\$0	\$250,000
County of Lassen	\$1,250,000	\$0	\$0	\$0	\$0	\$1,250,000
County of Plumas for Lassen County	\$0	\$0	\$0	\$0	\$15,471	\$15,471
Total Lassen County	\$1,500,000	\$0	\$0	\$0	\$15,471	\$1,515,471
City of Fort Bragg	\$490,000	\$0	\$0	\$0	\$0	\$490,000
City of Ukiah	\$250,000	\$0	\$0	\$0	\$0	\$250,000
Mendocino Co. AIDS Volunteer Network	\$0	\$0	\$0	\$0	\$32,308	\$32,308
Total Mendocino County	\$740,000	\$0	\$0	\$0	\$32,308	\$772,308
County of Plumas for Modoc County	\$0	\$0	\$0	\$0	\$455	\$455
Total Modoc County	\$0	\$0	\$0	\$0	\$455	\$455
City of Grass Valley	\$605,000	\$0	\$0	\$0	\$0	\$605,000
Town of Truckee	\$524,246	\$0	\$0	\$0	\$0	\$524,246

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
County of Nevada	\$670,000	\$0	\$0	\$0	\$26,392	\$696,392
Total Nevada County	\$1,799,246	\$0	\$0	\$0	\$26,392	\$1,825,638
County of Plumas	\$335,652	\$0	\$0	\$0	\$2,275	\$337,927
Total Plumas County	\$335,652	\$0	\$0	\$0	\$2,275	\$337,927
County of Plumas for Sierra County	\$0	\$0	\$0	\$0	\$455	\$455
Total Sierra County	\$0	\$0	\$0	\$0	\$455	\$455
City of Dorris	\$330,000	\$0	\$0	\$0	\$0	\$330,000
City of Dunsmuir	\$535,000	\$0	\$0	\$0	\$0	\$535,000
City of Etna	\$575,000	\$0	\$0	\$0	\$0	\$575,000
City of Montague	\$263,108	\$0	\$0	\$0	\$0	\$263,108
City of Tulelake	\$100,000	\$0	\$0	\$0	\$0	\$100,000
City of Weed	\$500,000	\$0	\$0	\$0	\$0	\$500,000
City of Yreka	\$390,000	\$0	\$0	\$0	\$0	\$390,000
County of Siskiyou	\$997,417	\$0	\$0	\$0	\$0	\$997,417
Town of Fort Jones	\$500,000	\$0	\$0	\$0	\$0	\$500,000
County of Plumas for Siskiyou County	\$0	\$0	\$0	\$0	\$8,191	\$8,191
Total Siskiyou County	\$4,190,525	\$0	\$0	\$0	\$8,191	\$4,198,716
County of Trinity	\$70,000	\$0	\$0	\$0	\$0	\$70,000

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
Caring Choices, Inc.	\$0	\$0	\$0	\$0	\$1,365	\$1,365
Total Trinity County	\$70,000	\$0	\$0	\$0	\$1,365	\$71,365
Northern California Non-Metropolitan Region Totals:	\$15,112,959	\$399,079	\$0	\$0	\$169,729	\$15,681,767
Non-Metropolitan Areas: Central-Southern						
Sierra Health Resources	\$0	\$0	\$0	\$0	\$455	\$455
Total Alpine County	\$0	\$0	\$0	\$0	\$455	\$455
Operation Care	\$0	\$103,266	\$0	\$0	\$0	\$103,266
Sierra Health Resources	\$0	\$0	\$0	\$0	\$11,831	\$11,831
Total Amador County	\$0	\$103,266	\$0	\$0	\$11,831	\$115,097
Sierra Health Resources, Inc.	\$0	\$0	\$0	\$0	\$5,005	\$5,005
Total Calaveras County	\$0	\$0	\$0	\$0	\$5,005	\$5,005
City of Bishop	\$35,000	\$0	\$0	\$0	\$0	\$35,000
Sierra Health Resources, Inc.	\$0	\$0	\$0	\$0	\$2,731	\$2,731
Total Inyo County	\$35,000	\$0	\$0	\$0	\$2,731	\$37,731
Town of Mammoth Lakes	\$248,638	\$0	\$0	\$0	\$0	\$248,638
County of Mono	\$500,000	\$0	\$0	\$0	\$0	\$500,000
Sierra Health Resources, Inc.	\$0	\$0	\$0	\$0	\$910	\$910

Geographic Distribution by Region 2007-08 Program Contractors	CDBG Award	ESG Award	HOME Award	HOME American Dream Award	HOPWA Award	All Program Awards
Total Mono County	\$748,638	\$0	\$0	\$0	\$910	\$749,548
City of Sonora	\$535,000	\$0	\$0	\$0	\$0	\$535,000
Amador-Tuolumne Community Action Agency	\$0	\$184,080	\$0	\$0	\$0	\$184,080
Sierra Health Resources	\$0	\$0	\$0	\$0	\$12,741	\$12,741
County of Tuolumne	\$250,000	\$0	\$0	\$0	\$0	\$250,000
Total Tuolumne County	\$785,000	\$184,080	\$0	\$0	\$12,741	\$981,821
Central-Southern Non-Metropolitan Region Totals:	\$1,568,638	\$287,346	\$0	\$0	\$33,673	\$1,889,657
All California Non-metropolitan Regions Totals:	\$16,681,597	\$686,425	\$0	\$0	\$203,402	\$17,571,424
All California Regions, Totals:	\$50,692,627	\$6,558,044	\$24,491,905	\$0	\$3,157,470	\$84,900,046

**Geographic Distribution of
Accelerated HOME Awards of
2008-09 funds in 2007-08**

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Appendix B2

Geographic Distribution of Accelerated HOME Awards of 2008-09 Funds

Geographic Distribution by Region Accelerated Awards - 2008-09 Allocations	HOME Award
Region One: Los Angeles Metropolitan Region	
City of Calexico	\$800,000
City of El Centro	\$2,100,000
Total Imperial County	\$2,900,000
City of Glendora	\$800,000
Total Los Angeles County	\$800,000
City of La Habra	\$200,000
City of San Juan Capistrano	\$800,000
Total Orange County	\$1,000,000
City of Calimesa	\$508,400
Total Riverside County	\$508,400
Total San Bernardino County	\$0
Total Ventura County	\$0
Region One Totals: Los Angeles Metropolitan Region	\$5,208,400
Region Two: Bay Area Metropolitan Region	
Total Alameda County	\$0
Total Marin County	\$0
City of Calistoga	\$3,247,184
Napa Valley Community Housing	\$3,050,000
Total Napa County	\$6,297,184
Total San Mateo County	\$0
Total Santa Clara County	\$0
Total Solano County	\$0
Total Sonoma County	\$0
Region Two Totals: Bay Area Metropolitan Region	\$6,297,184

Geographic Distribution by Region Accelerated Awards - 2008-09 Allocations	HOME Award
Region Three: Sacramento Metropolitan Region	
Total El Dorado County	\$0
Total Placer County	\$0
City of Yuba City	\$800,000
Total Sutter County	\$800,000
City of West Sacramento	\$800,000
City of Woodland	\$800,000
Total Yolo County	\$1,600,000
City of Marysville	\$600,000
County of Yuba	\$1,500,000
Total Yuba County	\$2,100,000
Region Three Totals: Sacramento Metropolitan Region	\$4,500,000
Region Four: Central Valley Metropolitan Region	
City of Firebaugh	\$442,236
City of Huron	\$800,000
City of Orange Cove	\$2,000,000
Total Fresno County	\$3,242,236
City of Delano	\$800,000
City of Wasco	\$800,000
Total Kern County	\$1,600,000
City of Avenal	\$800,000
City of Hanford	\$800,000
County of Kings	\$800,000
Total Kings County	\$2,400,000
City of Chowchilla	\$800,000
City of Madera	\$800,000
Self-Help Enterprises	\$2,000,000
Total Madera County	\$3,600,000
City of Atwater	\$800,000

Geographic Distribution by Region Accelerated Awards - 2008-09 Allocations	HOME Award
City of Livingston	\$800,000
City of Los Banos	\$800,000
County of Merced	\$800,000
Total Merced County	\$3,200,000
Total Mariposa County	\$0
Total San Joaquin County	\$0
Total Stanislaus County	\$0
City of Dinuba	\$800,000
City of Lindsay	\$800,000
City of Woodlake	\$800,000
County of Tulare	\$800,000
Total Tulare County	\$3,200,000
Region Four Totals: Central Valley Metropolitan Region	\$17,242,236
Region Five: San Diego Metropolitan Region	
Total San Diego County	\$0
Region Five Totals: San Diego Metropolitan Region	\$0
Region Six: Central Coast Metropolitan Region	
City of Greenfield	\$800,000
Total Monterey County	\$800,000
Total San Benito County	\$0
Total San Luis Obispo County	\$0
Total Santa Barbara County	\$0
Total Santa Cruz County	\$0
Region Six Totals: Central Coast Metropolitan Region:	\$800,000
Region Seven: Northern California Metropolitan Region	
City of Biggs	\$600,000
City of Oroville	\$2,800,000
Town of Paradise	\$800,000
Total Butte County	\$4,200,000

Geographic Distribution by Region Accelerated Awards - 2008-09 Allocations	HOME Award
Total Colusa County	\$0
City of Orland	\$2,000,000
Total Glenn County	\$2,000,000
City of Anderson	\$2,000,000
City of Shasta Lake	\$800,000
Community Housing Improvement Program	\$1,680,000
Total Shasta County	\$4,480,000
Total Tehama County	\$0
Region Seven Totals: Northern California Metropolitan Region:	\$10,680,000
All California Metropolitan Regions, Totals:	\$44,727,820
Non-Metropolitan Areas: Northern California	
County of Del Norte	\$1,625,000
Total Del Norte County	\$1,625,000
County of Humboldt	\$800,000
Total Humboldt County	\$800,000
City of Lakeport	\$800,000
County of Lake	\$800,000
Total Lake County	\$1,600,000
Total Lassen County	\$0
Total Mendocino County	\$0
Total Modoc County	\$0
Total Nevada County	\$0
Total Plumas County	\$0
Total Sierra County	\$0
Total Siskiyou County	\$0
County of Trinity	\$800,000
Total Trinity County	\$800,000
Northern California Non-Metropolitan Region Totals:	\$4,825,000
Non-Metropolitan Areas: Central-Southern	
Total Alpine County	\$0

Geographic Distribution by Region Accelerated Awards - 2008-09 Allocations	HOME Award
Total Amador County	\$0
City of Angels	\$800,000
County of Calaveras	\$800,000
Total Calaveras County	\$1,600,000
Total Inyo County	\$0
Total Mono County	\$0
County of Tuolumne	\$800,000
Total Tuolumne County	\$800,000
Central-Southern Non-Metropolitan Region Totals:	\$2,400,000
All California Non-metropolitan Regions, Totals:	\$7,225,000
All California Regions, Totals:	\$51,952,820

**Department of Housing and
Community Development
Proposition 46
Housing Programs**

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DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
Cumulative Proposition 46 Bond Awards
Through June 30, 2008

	Total Funds Available	# of NOFAs released to date	Awards		Total Projected Production				
			# of Awards	Dollars	Housing Units	Incentive Units	Shelter Spaces	Dormitory Spaces	Total
CalHome									
BEGIN	\$70,700,000	3	79	\$65,479,850	2,206				2,206
General Funding	\$96,350,000	3	171	\$96,350,000	3,301				3,301
CalHome Self-Help Housing Technical Assistance Allocation (CSHHTAA)	\$9,428,829	5	83	\$11,466,829	1,223				1,223
Code Enforcement Grant Program	\$4,750,000	1	30	\$4,750,000	N/A				
Emergency Housing & Asst Prgm (EHAP)									
Capital Development Loans	\$183,300,000	5	240	\$160,088,370			10,433		10,433
Exterior Accessibility Grants for Renters	\$4,750,000	1	16	\$4,650,000	833				833
Job Housing Balance Program	\$25,000,000	1	104	\$25,000,000		24,594			24,594
Joe Serna, Jr. Farmworker Hsg Grnt (JSJFWHG)									
General	\$104,759,239	6	80	\$100,009,883	4,936				4,936
Migrant Farmworker Housing	\$13,300,000	2	10	\$12,521,529	136			654	790
Health-Housing Set-Aside	\$17,500,000	1	1	\$17,500,000	1,188				1,188
Local Housing Trust Fund	\$23,822,000								
Competitive		1	11	\$14,300,000					
Over-the-Counter		1	7	\$9,522,000					
Multi-family Housing Program (MHP)									
<i>General Multi-family Housing Program</i>									
General Funds	\$740,464,052	8	139	\$668,521,206					
Nonresidential Supportive Services Space Funds				\$14,490,000					
Transit Oriented Development				\$0					
Total General Projects				\$683,011,206	11,936				11,936
<i>Supportive Housing</i>	\$179,712,000	3	70	\$162,151,175					
General Funds/Units				\$71,221,976					
Nonresidential Supportive Services Space Funds				\$5,000,000					
Total Supportive Housing Projects				\$238,373,151	3,277				3,277
Supportive Services Space	\$20,000,000								
Transit Oriented Development (Downtown Rebound) ⁸	\$13,824,000								
Governor's Homeless Initiative	\$36,864,000	1	5	\$15,288,658	167				167
Preservation - Interim Repositioning	\$0	1	0	\$0	0				0
Workforce Housing Reward Program	\$70,000,000	3	255	\$68,977,948		22,283			22,283
Units funded in multiple programs (deducted to avoid double counting)					(852)				(852)
TOTALS:	\$1,614,524,120	46	1,301	\$1,527,289,424	28,351	46,877	10,433	654	86,315

**California Housing
Finance Agency
(CalHFA)
Proposition 46
Housing Programs**

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CALIFORNIA HOUSING FINANCE AGENCY
Cumulative Proposition 46 Bond Awards
Through June 30, 2008

Program	Total Funds Available	# of NOFAs released to date	Awards		Total Projected Production				
			# of Awards	Dollars	Housing Units	Incentive Units	Shelter Spaces	Dormitory Spaces	TOTAL
Mortgage Insurance	\$85,000,000	N/A	N/A	\$9,207,882	528				528
School Facility Fee	\$50,000,000	N/A	N/A	\$24,174,480	5,983				5,983
ECTP	\$25,000,000	N/A	N/A	\$20,705,772	1,772				1,772
HIRAP	\$12,500,000	N/A	N/A	\$8,288,525	484				484
CHDAP	\$117,500,000	N/A	N/A	\$147,385,305	18,558				18,558
Preservation	\$45,000,000	N/A	N/A	\$10,933,000	408				408
Residential Development Loan Program	\$75,000,000	5	13	\$44,578,555	675				675
TOTAL	\$410,000,000¹	5	13	\$265,273,519	28,408				28,408

¹Not reflected is up to 5% of the amounts funded may be used for administration costs, except Mortgage Insurance totals. Active Commitments and Estimated Funds Remaining will not equal Total Funds Available because of transfer from preservation to MHP (noted above).

Public Notices

A P P E N D I X E

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**Division of Financial Assistance**

1800 Third Street, Suite 390
P. O. Box 952054
Sacramento, CA 94252-2054
(916) 322-1560 / FAX (916) 322-6660
www.hcd.ca.gov



August 27, 2008

FOR IMMEDIATE POSTING FOR COMMENT

Draft 2007-08 Consolidated Annual Performance & Evaluation Report (CAPER) of the State of California's Consolidated Plan and Issues for the Annual Update

The State of California Department of Housing and Community Development (HCD) is soliciting public review and comment on the following:

- 1) The Draft Consolidated Annual Performance and Evaluation Report 2007-08 hereinafter referenced as the "CAPER," and
- 2) Issues to be considered in the next annual update of the State's Consolidated Plan.

Both of these address how more than \$116 million in federal funds received by the State are allocated by the Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Housing Opportunities for Persons with AIDS (HOPWA), Emergency Shelter Grant (ESG) and Lead Hazard Control programs annually. These funds are available to local governments or eligible developers for assistance to lower-income households, for activities including housing construction or rehabilitation, rental or ownership subsidies, special needs housing assistance, community economic development or public facilities or services, and lead hazard control.

The CAPER, which is being prepared for submittal to the Department of Housing and Urban Development (HUD), reports only on specified federal housing and economic assistance allocated by the State for the period July 2007 through June 2008. The State CAPER does not address funds distributed directly to local governments (entitlement jurisdictions) by the federal government. The public review period for the CAPER and annual plan amendments is 15 days, and begins September 1, 2008. HCD must receive all comments on the Draft CAPER by September 15, 2007.

The current 2008-09 Annual Plan and 2005-10 Consolidated Plans are posted on HCD's website (see below). Comments are solicited for priority housing and community development needs to be considered in the future allocation of funds from these programs.

The Draft CAPER for FY 2007-08 will be available for public review on HCD's website (<http://www.hcd.ca.gov/hpd/hrc/rep/fed/>) as of August 31, 2008, and in Sacramento at HCD's Housing Resource Center in Room 430; at planning departments of counties with at least one non-entitlement jurisdiction, and the following libraries:

Library	Phone Number
California State Library, Government Publications (Sacramento)	(916) 654-0069
California State University, Merriam Library (Chico)	(530) 898-6502
California State University, Library-Government (Long Beach)	(562) 985-5518
Free Library, Government Publications (Fresno County)	(559) 488-3195
Public Library, Serials Division (Los Angeles)	(213) 612-3200
Public Library (Oakland)	(510) 238-3138
Public Library, Science and Industry Department (San Diego)	(619) 236-5813
Public Library, Government Documents Department (San Francisco)	(415) 557-4500
Stanford University Libraries, Green Library, Government Documents	(650) 723-9372
University of California, Government Documents Library (Berkeley)	(510) 642-1472
University of California, Shields Library, Government Documents (Davis)	(530) 752-1624
University of California, University Research Library (Los Angeles)	(310) 825-3135
University of California, Government Documents (San Diego/La Jolla)	(858) 534-3336
University of California, Library, Government Publications (Santa Barbara)	(805) 893-8803

A limited number of copies of the CAPER are also available to entities or individuals unable to access one of the above sources. The Technical Appendix of the Financial Summary Reports will be available upon request. Written comments can be submitted via facsimile (916-327-6660), electronic mail (caper@hcd.ca.gov), or mailed to the following address:

Department of Housing and Community Development,
Division of Financial Assistance
P.O. Box 952054
Sacramento, California 94252-2054
Attention: Ann Hornbeck

In addition, public review periods will be held in the following locations:

<i>Location</i>	<i>Address</i>	<i>Date/Time</i>	<i>Phone No.</i>
Sacramento	Department of Housing and Community Development 1800 3 rd Street, Room 390 Sacramento, CA	September 2nd (Tuesday) 8:00 a.m. – 12:00 noon	(916) 322-1560
Riverside County	Department of Housing & Community Development Division of Codes and Standards Registration and Titling Program 3737 Main Street, Suite 400 Riverside, CA	September 2nd (Tuesday) 8:00 a.m. – 12:00 noon	(916) 322-1560
Shasta County	Department of Housing and Community Development Division of Codes and Standards Registration and Titling Program 2986 Bechelli Lane, Suite 201 Redding, CA	September 2nd (Tuesday) 8:00 a.m. – 12:00 noon	(916) 322-1560

CAPER Notice
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If you have any questions, would like addresses or phone numbers for the county planning departments or are in need of translators or special services, please contact this Department, prior to the review dates at (916) 322-1560. For translator or special services needs, please advise the Department within five working days of the review period in order to facilitate the request.

This proposal has been determined to be EXEMPT from California Environmental Quality Act (CEQA) (Public Resources Code Section 21080.10(b)) and CATEGORICALLY EXCLUDED from the National Environmental Policy Act (NEPA) (Title 24 Code of Federal Regulations 50.20(o)(2)).

DRAFT

DEPARTAMENTO DE VIVIENDA Y DESARROLLO COMUNITARIO**División de Financial Assistance**

1800 Third Street, Room 390
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Sacramento, CA 94252-2054
(916) 322-1560 / FAX (916) 322-6660
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27 de agosto de 2008

PARA COLOCAR INMEDIATAMENTE PARA DAR COMENTARIO

Propuesto Informe Anual Consolidado del Desempeño y Evaluación (CAPER) Correspondiente al Año Fiscal 2007-08 del Plan Consolidado del Estado de California y Temas para la Actualización Anual

El Departamento de Vivienda y Desarrollo Comunitario del Estado de California (HCD) solicita que el público revise y comente acerca de lo siguiente:

- 1) El propuesto del Informe Anual Consolidado del Desempeño y Evaluación correspondiente al ejercicio 2007-08, de aquí en adelante mencionado como el "CAPER", y
- 2) Temas que serán considerados en la próxima actualización anual del Plan Consolidado del Estado.

Ambos indican la manera en que más de \$116 millones en fondos federales que recibe el Estado son adjudicados anualmente por los programas Community Development Block Grant (CDBG), Home Investment Partnership (HOME), Housing Opportunities for Persons with AIDS (HOPWA), Emergency Shelter Grant (ESG) y Controlar el Peligro de Plomo. Estos fondos están a disposición de los gobiernos locales o de constructores, que cumplen con ciertos requisitos, para ayudar a familias de bajos ingresos, para actividades que incluyen la construcción o rehabilitación de viviendas, para subsidios de alquileres o de adquisición de viviendas, para ayudar con las viviendas de personas con necesidades especiales, para el desarrollo económico comunitario o para facilidades o servicios públicos, y al controlar el peligro de plomo.

El CAPER, que se preparó para ser presentado al Department of Housing and Urban Development (HUD), informa solamente sobre ayuda federal específica para la vivienda y económica adjudicada por el Estado en el período que se extiende desde julio de 2007 hasta junio de 2008. El CAPER del Estado no se dirige a los fondos que el gobierno federal distribuyó directamente a los gobiernos locales (jurisdicciones de ayuda social). El período de revisión pública del CAPER y de enmiendas anuales del plan es de 15 días y comienza el 1 de septiembre 2008. El HCD debe recibir todos los comentarios sobre el borrador del CAPER hasta el 15 de septiembre de 2008.

Aviso CAPER

Página 2

El Plan Anual del ejercicio 2008-09 y el Plan Consolidado de 2005-10 actualmente lo encuentra en el sitio "web" del HCD (se puede ver más abajo).

El Borrador del CAPER correspondiente el ejercicio 2007-08 estará disponible para la revisión pública en el sitio web del HCD (<http://www.hcd.ca.gov/hpd/hrc/rep/fed/>) a partir del 31 de agosto, y en Sacramento en el Centro de Recursos de Vivienda del HCD, en la Sala 430, así como en los departamentos de planificación de condados con al menos una jurisdicción de ayuda social, y en las siguientes bibliotecas:

Bibliotecas	Número de teléfono
California State Library, Government Publications (Sacramento)	(916) 654-0069
California State University, Merriam Library (Chico)	(530) 898-6502
California State University, Library-Government (Long Beach)	(562) 985-5518
Free Library, Government Publications (Condado de Fresno)	(559) 488-3195
Public Library, Serials Division (Los Angeles)	(213) 612-3200
Public Library (Oakland)	(510) 238-3138
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<u>University of California, Government Documents (San Diego/La Jolla)</u>	<u>(858) 534-3336</u>
<u>University of Cal, Library, Government Publications (Santa Barbara)</u>	<u>(805) 893-8803</u>

También hay un número limitado de copias del CAPER a disposición de entidades o individuos sin acceso a ninguna de las fuentes que anteceden. El Apéndice Técnico de los Informes Financieros Resumidos estará disponible bajo pedido. Los comentarios por escrito pueden ser enviados por fax (916-327-6660), correo electrónico (caper@hcd.ca.gov), o por correo a la siguiente dirección:

Department of Housing and Community Development,
Division of Financial Assistance
P.O. Box 952054
Sacramento, California 94252-2054
Attention: Ann Hornbeck

Además, se celebrarán audiencias públicas en los siguientes lugares:

<i>Ubicación</i>	<i>Dirección</i>	<i>Fecha/Hora</i>	<i>Teléfono</i>
Sacramento	Department of Housing and Community Development 1800 3rd Street, Room 390 Sacramento, CA	2 de septiembre de 2008 (martes) 8:00 de la mañana a 12:00 de la tarde	(916) 322-1560
Riverside County	Department of Housing and Community Development Division of Codes and Standards Registration and Titling 3737 Main Street, Suite 400 Riverside, CA	2 de septiembre de 2008 (martes) 8:00 de la mañana a 12:00 de la tarde	(916) 322-1560
Shasta County	Department of Housing and Community Development Division of Codes and Standards Registration and Titling 2986 Bechelli Lane, Suite 201 Redding, CA	2 de septiembre de 2008 (martes) 8:00 de la mañana a 12:00 de la tarde	(916) 322-1560

Si tiene alguna pregunta o desea obtener las direcciones o los números de teléfono de los departamentos de planificación de los condados, póngase en contacto con el Departamento llamando al (916) 322-1560. Además, si necesita servicios de traducción o servicios para atender necesidades especiales, indíquese al Departamento dentro de los cinco días laborables previos a la fecha de la audiencia, para permitirnos cumplir con su pedido.

Se ha determinado que esta propuesta está EXENTA de California Environmental Quality Act (CEQA) (Sección 21080.10(b) del Código de Recursos Públicos) y CATEGÓRICAMENTE EXCLUIDA de National Environmental Policy Act (NEPA) (Título 24 del Código de Reglamentaciones Federales 50.20(o)(2)).